

THE FARADAY INSTITUTE FOR SCIENCE AND RELIGION

A CHARITABLE COMPANY LIMITED BY GUARANTEE

**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

**REGISTERED CHARITY No 1153702
REGISTERED COMPANY No 08426223**

THE FARADAY INSTITUTE FOR SCIENCE AND RELIGION
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

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**THE FARADAY INSTITUTE FOR SCIENCE AND RELIGION
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

The Directors (also referred to as Trustees for the purpose of charity law) present their report with the financial statements of the charitable company for the year ended 31 March 2021. The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and 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 published in October 2019.

The term 'Institute' in this report refers to 'The Faraday Institute for Science and Religion'.

Reference and Administrative Details

The Company was incorporated on 1 March 2013 and registered with the Charity Commission for England and Wales on 6 September 2013.

Structure, Governance and Management

The operation of the Charity is governed by its Articles of Association. It is a company limited by guarantee and a charity registered with the Charity Commission of England and Wales. HM Revenue Customs & Customs have recognised the charity for tax purposes. Since the charity only uses its funds for charitable purposes no taxation is then payable on the income or gains. The overall responsibility for the operations of the Charity and its finances is with the Trustees. On 1 October 2018 The Faraday Institute moved from being under the governance of the Fellows of St Edmund's College, Cambridge to independent governance under The Faraday Trust for Science and Religion: On 18 December 2018 The Faraday Trust for Science and Religion registered a name change to The Faraday Institute for Science and Religion to reflect the new governance of The Faraday Institute.

Professor Robert White FRS retired as Institute Director on 30 September 2020 and the Trustees express their grateful thanks to Prof. White for his many years of service to the work of the Institute. Professor Keith Fox served as Director from 1 October 2020.

Trustees

The Trustees during this period were: Dr Denis Raven Alexander, Mr Graham Budd, Revd Dr Andrew Davison, Professor Keith Fox, Professor John Stanley Hill Gaston, Dr Rodney Dennis Holder, Dr Jimmy Chan, Professor Russell Cowburn, Professor Sir Colin Humphreys, Dr Harvey McMahon, Professor Janet Soskice (resigned 2 July 2020), Mrs Polly Stanton, Mr Christopher Townsend, Professor Ian White (resigned 9 January 2021) and Professor Robert Stephen White.

Dr Christine Nisbet was appointed as Trustee after 31 March 2021 but before the date of this report. Prof. Keith Fox ceased to be a Trustee on 30 September 2021 after the financial period ended 31 March 2021 and before approval of these accounts.

The Faraday Institute has also developed an International Advisory Board of 57 members who are prominent in the field of science and religion to assist in its International profile and work.

The appointment of additional Trustees, both during the period and subsequently, broadens the spread of expertise that is available to the Charity as it continues to expand the range and volume of its activity. Under Articles of Association, there shall be not less than ten Trustees. New Trustees are appointed by the Trustees. Prior to appointment (or re-appointment), all Trustees are required to confirm their agreement to maintain the Christian ethos of the Charity and at least 75% of the Trustees must have affirmed the Basis of Faith in the Articles of Association. Each Trustee retires at the fifth annual meeting of the Trustees following their appointment and, if otherwise eligible, may be appointed for a further five years if the Trustees so decide. On appointment each Trustee receives copies of the principal constitutional and policy documents of the Company, with current and forward financial planning information. Trustees are provided with regular updates of relevant information from the Charity Commission and other relevant sources.

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Charitable objects

The objects of the Charity are as follows:

1. The Charity's objects are, for the public benefit, to advance education in the field of science and religion by carrying out research in all aspects of that subject, publishing the useful results in academic journals and books and improving the public understanding of issues in the field of science and religion by disseminating research results more widely beyond the academic community and through lectures, courses and the publication of other educational resources, and to advance such charitable purposes (according to the law of England and Wales) as the Trustees see fit from time to time which are connected with the charitable purpose stated above.

2. The Charity has a Christian ethos, and accordingly in furthering the above objects the main focus of its research work is on the relationship between science and the Christian faith, and it shall emphasise the education of the Christian community in issues of science and faith, but shall also welcome and seek to engage with a wide variety of other faith traditions, and with those of any faith or none.

Achievements and Activities undertaken for Public Benefit

The Trustees have had due regard to the public benefit guidance issued by the Charity Commission. The activities of The Faraday Institute may be summarized under three headings:

Explore

Shedding new light on life's big questions, through academically rigorous research in the field of science and religion.

Equip

Providing life-changing resources for those with interests in science and faith, through research, dissemination, education and training.

Engage

Catalysing a change in attitude towards science and faith, through outreach to schools, colleges, the scientific community, religious institutions and the general public.

To date The Faraday Institute has amongst its outputs of public benefit:

- 16 Summer Courses & 35 International courses
- Overseas courses in Africa, Russia, China, New Zealand, Australia, Ghana, South Africa, France, Spain, Kenya, Croatia, Sweden, India, Guatemala, Mexico, Chile, Brazil, Argentina, Hong Kong, Singapore and Malta.
- 146 Seminars in Cambridge and 13 online live webinars.
- Staff have given hundreds of talks & lectures.
- Since October 2013 more than 750 youth & school sessions reaching around 25,000 children, young people and educators.
- 40 Public lectures and dinners.
- 738 Lectures & seminars: free downloads from our website.
- 1.2 million downloads of filmed lectures.
- Over 140 book & journal publications.

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In 2020-21 there were:

- An online Faraday Summer Course, which was free this year, attracting over 600 participants from around the world. As a result of the Covid-19 pandemic we were not able to run the usual residential course. Instead the course was presented online during a week in July. The lectures were delivered by Zoom and YouTube with two or three lectures each day. Registration was free. About 600 people attended at different times during the week.
- An online Faraday two-day workshop for church leaders in January.
- An online Seminar in September entitled Abraham Kuyper on Science and Religion: An Introduction to his Texts and Contexts. This is a taster for a planned workshop, which has been postponed until September 2021 as a result of the pandemic.
- An online Conference in November, joint with the Woolf Institute on Climate Change and Religion.
- A Church Leaders' Workshop for the Eastern Baptist Association furthering the work of the Church Engagement Director.
- An online Day Conference in March joint with Westminster College, Cambridge, on End of Life Matters.

In 2020-21 over 1000 people participated in online courses and workshops. There were also 11 online Faraday Research Seminars with an average of 60-80 attendees.

Amongst other outputs, in addition to the sessions noted above, the Youth and Schools Programme Co-Directors, Lizzie Henderson and Steph Bryant, have published a number of children's books including *God Made Space*, *God Made the World & God Made Animals* [Lion Hudson], *The Wonder Zone* holiday club [Scripture Union] and contributed a chapter to *Science and Religion in Education* [Springer].

The Youth and Schools Programme appointed two additional members of staff in September 2020 to aid development and expansion of new and existing, high-quality, opportunities for children, young people and influencers to consider the Big Questions through three main, interacting aspects. These aspects are: direct interaction with children and young people; training of those who influence them on a day-to-day basis; and development of further printed, online and professionally published materials and resources for children, young people and their influencers.

Plans for the future

The Faraday Institute became legally independent of St Edmund's College on 1 October 2018, though it maintains strong academic links with the College, enabled by a signed Academic Agreement. The Institute moved to new premises in the Woolf Building on the Westminster College Campus in September 2017, which enabled further expansion of its activities. The Institute joined the Cambridge Theological Federation (CTF) in summer 2018, thereby retaining its affiliated status within the University of Cambridge.

We plan to increase the number of Faraday overseas courses in the future, as well as continuing to host Cambridge-based academic-year long courses for undergraduate students from Hong Kong and developing one-semester courses for students from US colleges and universities.

Many grant applications were made by The Faraday Institute during this financial year and several new grants were awarded to the Institute.

A major review of The Faraday Institute's online presence has led to completely renewing its website, which launched in Spring 2020. Since its launch it has inspired more people to engage with the Institute, either face-to-face or virtually, and encouraged more collaborations with organisations and academic institutions worldwide.

During this reporting year, the Trustees started planning to appoint a new full-time Institute Director. As a result, Prof. Paul Ewart took up the position of Institute Director on 1 October 2021, a 5-year appointment. Prof. Ewart was previously Professor of Physics at Oxford University and is Chair of *Christians in Science*.

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Impact of COVID-19

The COVID-19 pandemic had little impact on our short-term finances; we did not need to furlough any staff or make anyone redundant. Since the COVID-19 lockdown in mid-March 2020 we have cancelled or postponed a number of courses and events, and these reduced our overall course income by £30,000. The Summer Course and seminars were changed to online only. For the summer course the change from in person (paid) to live streaming (free) resulted in a saving of about £15k (no travel expenses for speakers or bursaries for registrant), and we reached a much larger number of registrants (about 600 compared with 60 attendees). International Courses switched to online delivery, resulting in a net saving of travel costs of around £4k. Other overseas travel was cancelled or moved on-line, with no net financial change. Our ongoing plans are for all courses to be online for 2020/2021.

The increase in online activities has accelerated our plans for developing new online training courses and we have piloted online course for church leaders.

COVID-19 has made it difficult for study abroad students to undertake our programme in Cambridge. We attracted only one Hong Kong student for 2020/2021, who remained in HK and was taught online for the entire course. He was joined by a South African student for the second semester. We have enrolled two Hong Kong University medical students to join us in person in 2021/2022 and are making arrangement with Hong Kong Baptist University for the following year. We are negotiating with US Universities for similar one semester courses, when COVID restrictions are lifted.

Financial Review

The Faraday Institute continues to seek financial grants and donations to support the current activities and to build up a financial reserve for the support and development of future activities. Income for the year totalled £495,933 (2020: £1,403,465), and expenditure for the year was £841,597 (2020: £1,090,738). The 65% reduction in income in this financial year was only due to Covid to a minor extent, and is more due to the fact that grant income and miscellaneous donations income were high during the previous year, income that is then used to fund specified projects in subsequent years. An exceptional matched fund income of £300,000 was also received in 2020 which accentuates the apparent reduction in income, though again it should be noted that such income is used to fund activities in subsequent years. The net deficit for the year, after realised and unrealised gains and losses on investments totalled £104,227. At the year end, total funds were £3,514,591 of which unrestricted funds amounted to £2,688,291, restricted funds amounted to £740,142 and designated funds amounted to £86,158.

Risk Management

The Trustees are responsible for the management of risks the Charity faces. Day-to-day identification, monitoring and mitigation of risks are delegated to the Director of The Faraday Institute. The Trustees are satisfied that all significant risks have been reviewed and procedures are in place to manage those risks, including:

1. Funding risks

Research projects are fully funded by research grants before their start

The Charity is actively diversifying and deepening its donor base

The Charity is establishing an endowment to provide long-term funding of core activities

2. Personnel risks

The Charity has instituted advance succession planning for senior staff

The Charity is expanding and developing its senior team to share management responsibilities

3. Financial risk

Cash is held at three different FSA accredited banks.

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Reserves Policy

It is the intention of the Trustees to establish a reserve, firstly to provide income to support the purposes of The Faraday Institute and secondly, as a fund from which capital can be withdrawn to cover budgeted expenditure not covered by current income. Free reserves at 31 March 2021 were £1,557,153, which the Trustees do not consider to be excessive given the move to new premises and expansion following the separation from St Edmund's College.

Investments

The Faraday Institute adheres to Charity Commission guidance on ethical investments, and may from time to time, where it is consistent with that advice, require Smith & Williamson (Investment Managers) not to make direct investments in specific companies or collective investment schemes. Such companies shall include tobacco companies, arms companies trading with terrorists or with countries with which the UK government does not permit them to trade, those dependent upon pornography or child labour, and those in which the investment portfolio is more than 25% in oil and gas. Since this financial year report the Trustees passed the following resolution on 13 July 2021: "We resolve that our investment portfolio with Smith & Williamson should, within a period of two years, have its investment in fossil fuels reduced to less than 2% of the total, with not more than 10% of any specific fund being so exposed, and that, with respect to investments in the energy sector, a preference should be given to investments in renewable energy".

The portfolio held by Smith & Williamson increased from a market value of £853,910 at the start of the year to, £1,138,905 as at 31 March 2021.

Key Performance Indicators

The Faraday Institute does not operate any Key Performance Indicators as such, however regular reports are submitted to grant sponsors which report performance and outputs against those listed in the grant proposals.

Pay policy for staff

All Trustees give their time freely and no Trustee received remuneration for their role as a Trustee during the year. The Faraday Institute uses a pay scale that is similar to the Cambridge University pay scales together with job descriptions as guidance. The annual cost of living rise matches that agreed by the University. Each pay scale has annual increments of approximately 2% in addition to the cost of living increase, until the top of the scale is reached.

Registered Office

The Faraday Institute for Science and Religion. The Woolf Building. Madingley Road. Cambridge. CB3 0UB

Bankers

The Co-operative Bank plc. PO Box 250. Delf House. Skelmersdale. WN8 6WT Barclays Bank plc. 28 Chesterton Road. Cambridge. CB4 3AZ

Investment Managers

Smith & Williamson, 25 Moorgate, London, EC2R 6AY

**THE FARADAY INSTITUTE FOR SCIENCE AND RELIGION
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

Statement of Trustees' Responsibilities (continued)

The Charity Trustees (who are also Directors of The Faraday Institute) 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 period, which give a true and fair view of the state of the 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 period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- 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 a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records which 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.

Statement as to Disclosure of Information to our Auditors

In so far as the trustees are aware, there is no relevant audit information of which the Charity's auditors are unaware, and they have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the Charity's auditors are aware of that information, and they have made such enquiries of their fellow trustees and of the Charity's auditors for that purpose, and taken such other steps (if any) for that purpose, as required by their duty as trustees of the Charity to exercise due care, skill and diligence.

Approved by the Trustees and signed on their behalf by:

..... 

Dr Denis Alexander - Chair of Trustees

Date December 2nd, 2021

**THE FARADAY INSTITUTE FOR SCIENCE AND RELIGION
INDEPENDENT AUDITORS REPORT TO THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

Opinion

We have audited the financial statements of The Faraday Institute for Science and Religion (the charitable company) for the year ended 31 March 2021 which comprise Statement of Financial Activities, the Balance Sheet, the 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 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 31 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.
- 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 directors' 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 charity'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 directors 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.

Other information (continued)

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.

Opinion on other matter 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 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 company 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
- we have not received all the information and explanation 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 Trustees' report and from the requirement to prepare a Strategic Report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purpose 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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

**THE FARADAY INSTITUTE FOR SCIENCE AND RELIGION
INDEPENDENT AUDITORS REPORT TO THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

Auditor's responsibilities for the audit of the financial statements (continued)

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the annual financial statements from our general commercial and charitable company specific experience, through discussion with the Trustees (as required by auditing standards), and from inspection of the charitable company's regulatory correspondence, and we discussed with the Trustees the policies and procedures regarding compliance with laws and regulations. We communicated identified laws and regulations throughout our team and remained alert to any indication to non-compliance throughout the audit; the audit team are deemed both competent and capable of identifying non-compliance with rules and regulations.

The potential effect of these laws and regulations on the annual financial statements varies considerably. Firstly, the charitable company is subject to laws and regulations that directly affect the annual financial statements including financial reporting legislation and taxation legislation, and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related annual account items. Secondly, the charitable company is subject to other laws and regulations where the consequences of non-compliance could have a material effect on the amounts or disclosures in the financial statements, for instance non-compliance with industry regulations. We assessed the risk of fraud in the financial statements through discussion with management and from our experience of the charitable company. We communicated identified fraud risk areas throughout our team and remained alert to any indication of fraud throughout the audit. In particular, we assessed the potential impact of the global pandemic known as Covid-19 on the risk of fraud. We did not identify any instances of fraud during the course of our audit.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and inspection of regulatory and legal correspondence, if any. Through these procedures, we did not become aware of any actual or suspected non-compliance with laws and regulations. Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

Use of our report

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



Stuart Graham Berriman (Senior Statutory Auditor)
For and on behalf of Chater Allan LLP
Chartered Accountants & Registered Auditors
Beech House, 4A Newmarket Road
Cambridge, CB5 8DT

Date: 24 December 2021

THE FARADAY INSTITUTE FOR SCIENCE AND RELIGION
STATEMENT OF FINANCIAL ACTIVITIES (Incorporating the Income and Expenditure Account)
FOR THE YEAR ENDED 31 MARCH 2021

		Unrestricted Funds			Total Funds	Total Funds
		General Funds	Designated Funds	Restricted Funds	2021	2020
	Note				£	£
Income from:						
Donations and legacies		3,359	1,875	-	5,234	16,375
Charitable activity						
Advancement of Education		158,719	7,480	299,943	466,142	1,353,778
Other trading activities						
Events		-	-	-	-	793
Sale of materials		1,966	-	-	1,966	5,621
Investment income						
Interest receivable		3,409	-	-	3,409	5,045
Dividend income		19,183	-	-	19,183	21,853
Total Income		186,635	9,355	299,943	495,933	1,403,465
Expenditure on:						
Raising funds	2	5,625	-	-	5,625	8,519
Charitable activity						
Advancement of Education	3	265,981	20,348	547,669	833,999	1,076,604
Other trading activities						
Purchase of materials		1,974	-	-	1,974	5,614
Total Expenditure		273,580	20,348	547,669	841,597	1,090,738
Transfer between funds		53,065		(53,065)	-	-
Transfer from The Faraday Institute	14	-	-	-	-	590
(Loss)/Gains on investment assets	7	241,437	-	-	241,437	(85,892)
Net income/(Expenditure) and net movement in funds for the year		207,557	(10,993)	(300,791)	(104,227)	227,426
Total funds brought forward		2,480,734	97,151	1,040,933	3,618,818	3,391,392
Total funds carried forward		2,688,291	86,158	740,142	3,514,591	3,618,818

All income and expenditure derive from continuing activities.

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


THE FARADAY INSTITUTE FOR SCIENCE AND RELIGION
BALANCE SHEET
AS AT 31 MARCH 2021

(REGISTERED COMPANY NUMBER 08426223)

		2021		2020	
	Note	£	£	£	£
FIXED ASSETS					
Tangible fixed assets	5		28,238		23,755
Intangible fixed assets	6		1,102,900		1,170,150
INVESTMENTS	7		1,138,905		853,910
CURRENT ASSETS					
Stocks		2,548		2,208	
Debtors	8	14,962		149,790	
Short term deposits		485,000		485,000	
Cash at bank and in hand		778,035		982,313	
		<u>1,280,545</u>		<u>1,619,312</u>	
CURRENT LIABILITIES					
Creditors due within one year	9	<u>35,997</u>		<u>48,309</u>	
NET CURRENT ASSETS			1,244,548		1,571,003
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>3,514,591</u>		<u>3,618,818</u>
FUNDS OF THE CHARITY:					
Unrestricted funds			2,688,291		2,480,734
Designated funds	10		86,158		97,151
Restricted funds	11		740,142		1,040,933
TOTAL FUNDS			<u>3,514,591</u>		<u>3,618,818</u>

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

Approved by the Board of Trustees and signed on their behalf by:

..... 
Dr Denis Alexander

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Date December 2nd, 2021

THE FARADAY INSTITUTE FOR SCIENCE AND RELIGION
STATEMENT OF CASH FLOWS
AS AT 31 MARCH 2021

	Note	2021 £	2020 £
Cash used in operating activities	1	(162,798)	237,482
Cash flows from investing activities:			
Purchase of tangible assets		(11,480)	(3,715)
Purchase of investments		(30,000)	-
Net cash provided by/(used in) investing activities		<u>(41,480)</u>	<u>(3,715)</u>
Change in cash and cash equivalents in the reporting period	2	(204,278)	233,768
Cash and cash equivalents at the beginning of the reporting period		1,467,313	1,233,545
Cash and cash equivalents at the end of the reporting period		<u>1,263,035</u>	<u>1,467,313</u>

Notes to Cash flow statement

1. Reconciliation of net income for the year to net cash flow from operating activities

	2021 £	2020 £
Net movement in funds	(104,227)	227,426
Adjustments for:		
Depreciation charges	6,996	6,269
Amortisation charges	67,250	67,250
Dividends and interest from investments	(19,183)	(21,853)
Investment administration fees	5,625	5,650
Loss/(Gains) on investments	(241,437)	85,892
Decrease/(Increase) in debtors	134,829	(139,400)
(Decrease)/Increase in creditors	(12,311)	7,504
(Increase) in stocks	(340)	(1,255)
Net cash inflow (outflow) from operating activities	<u>(162,798)</u>	<u>237,482</u>

2. Analysis of cash and cash equivalents

	At 1 April 2020 £	Cash flow £	At 31 March 2021 £
Cash at bank and in hand	982,313	(204,278)	778,035
Short term deposits	485,000	-	485,000
	<u>1,467,313</u>	<u>(204,278)</u>	<u>1,263,035</u>

1 ACCOUNTING POLICIES

1.1 Basis of preparation

The financial statements have been prepared under the historical cost convention except for investments, which are included at market value. 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.

The Faraday Institute for Science and Religion meets the definition of a public benefit entity under FRS 102.

Description of Fund Types

Unrestricted Funds may be used for any purpose permitted by the Charitable Deed.

Restricted Funds are funds under the control of the Trustees, the assets and net income of which may be used only for certain purposes.

1.2 Going concern basis

The Trustees consider that the going concern basis is appropriate as they consider the reserves levels and expected investment income to be at sufficient levels to ensure that the Trustees can meet their financial obligations for the next 12 to 18 months.

In particular the Trustees have considered the impact of the global pandemic known as COVID-19. Though there are inevitable uncertainties they believe there will be no material adverse impact on the Institute's ability to continue as a going concern.

Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

1.3 Income

Donations and grants are treated as income when any conditions imposed by the donor concerning the transfer of funds have been met.

Income from activities to generate funds is treated as income in the period the event took place. Income related to future years is treated as deferred income.

Gift Aid is recognised when the company is entitled to it.

1.4 Expenditure and Liabilities

Expenditure is accounted for on an accruals basis. Expenditure is apportioned between activities on the basis of purpose and shown in the appropriate category, unless it is immaterial in the context of these accounts.

Grants payable are treated as resources expended when there is an obligation to transfer funds.

Costs in relation to the administration of the charity are allocated to governance costs.

1.5 Pension costs

The Charity operates a defined contribution pension scheme. Contributions payable to the pension scheme are charged to the SOFA in the period to which they relate

1.6 Investments

Investments are stated at market value.

1.7 Fixed Assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Computer equipment - 33% on cost

Office equipment - 10% on cost

Intangible fixed assets

The lease premium is being written over evenly over 20 years, which commenced on 24 August 2017.

1.8 Stocks

Stocks of materials are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

1.9 Taxation

The Charity is a Registered Charity and all income and expenditure is for charitable purposes. As registration as charity has been recognised by HM Revenue & Customs for tax purposes no provision is required for taxation on income received and capital gains.

THE FARADAY INSTITUTE FOR SCIENCE AND RELIGION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2 RAISING FUNDS

	Unrestricted Funds		Restricted Funds	Total 2021	Total 2020
	General Funds	Designated Funds			
	£	£	£	£	£
Investment administration fees	5,625	-	-	5,625	5,650
Fundraising costs	-	-	-	-	2,869
Total	5,625	-	-	5,625	8,519

3 EXPENDITURE ON CHARITABLE ACTIVITY

Advancement of Education

	Unrestricted Funds		Restricted Funds	Total 2021	Total 2020
	General Funds	Designated Funds			
	£	£	£	£	£
Direct costs					
Research	865	-	2,678	3,544	2,558
Awards granted	1,800	-	29,124	30,924	177,355
Associated organisations	7,461	-	125,039	132,500	167,886
Bursaries	-	-	-	-	3,559
Salaries (note 4)	134,454	19,745	343,309	497,508	442,663
Staff costs	5,135	50	375	5,560	5,128
Office costs	3,610	-	5,000	8,610	9,743
Professional fees	13,756	54	5,544	19,354	18,744
Events and activities	11,690	-	1,692	13,382	66,358
Travel and subsistence	1,001	24	556	1,582	25,480
Marketing costs	958	-	1,005	1,963	6,038
Hospitality	490	-	-	490	3,736
Website development	630	-	7,022	7,652	31,265
Printing, stationery and telephone	1,878	-	3,821	5,699	5,333
IT equipment	443	-	6,903	7,346	8,951
Office equipment	268	-	1,229	1,498	556
Miscellaneous	42	-	-	42	1,822
Consultancy fees	-	-	6,827	6,827	9,374
Insurances	1,707	-	6,294	8,001	5,464
Recruitment costs	50	475	1,220	1,745	4,695
Bank charges	277	-	30	307	1,042
Currency charges	-	-	-	-	710
Other interest	-	-	-	-	65
Depreciation charge	6,996	-	-	6,996	6,269
Amortisation	67,250	-	-	67,250	67,250
Support costs					
Governance					
Trustees' expenses	-	-	-	-	26
Consultancy fees	-	-	-	-	275
Accountancy	1,680	-	-	1,680	1,440
Audit	3,540	-	-	3,540	2,820
Total	265,981	20,348	547,669	833,999	1,076,604

THE FARADAY INSTITUTE FOR SCIENCE AND RELIGION
NOTES TO THE FINANCIAL STATEMENTS
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4 STAFF COSTS

	2021	2020
	£	£
Wages and salaries	423,880	377,662
Social security costs	35,352	33,195
Pension costs	38,276	31,806
	<u>497,508</u>	<u>442,663</u>
	2021	2020
The average number of staff during the year was:	<u>16</u>	<u>14</u>

No employee received remuneration amounting to more than £60,000 in either year.

Two trustees received consultancy fees during the year. D R Alexander received consultancy fees of £2,362 and Professor Robert Stephen White received consultancy fees of £4,465.

During the year the trustees received expenses of £3,904 (2020:Nil)
Total donations received from trustees in the year was £3,750.

During the year, no trustees received reimbursement of travel and subsistence expenses (2020: three trustees received £9,054)

Employee benefits received by key management personnel during the year totalled £73,641 (2020: £84,466)

Professional indemnity insurance cover has been provided for trustees and staff as a part of an overall insurance contract at a total cost of £3,379.

5 TANGIBLE FIXED ASSETS

	Office Equipment	Computer Equipment	Total
	£	£	£
Cost b'fwd	24,145	13,569	37,715
Additions	4,609	6,871	11,480
Disposals	-	-	-
Cost c'fwd	<u>28,754</u>	<u>20,440</u>	<u>49,195</u>
Depreciation b'fwd	5,581	8,379	13,960
Charge for year	<u>2,651</u>	<u>4,345</u>	<u>6,996</u>
Depreciation c'fwd	<u>8,232</u>	<u>12,724</u>	<u>20,956</u>
Net book value			
As at 31 March 2021	<u>20,522</u>	<u>7,716</u>	<u>28,238</u>
As at 31 March 2020	<u>18,565</u>	<u>5,190</u>	<u>23,755</u>

6 INTANGIBLE FIXED ASSETS

	Lease Premium	Total
	£	£
Cost	1,345,000	1,345,000
Amortisation b'fwd	174,850	174,850
Charge for year	<u>67,250</u>	<u>67,250</u>
Amortisation c'fwd	<u>242,100</u>	<u>242,100</u>
Net book value		
As at 31 March 2021	<u>1,102,900</u>	<u>1,102,900</u>
As at 31 March 2020	<u>1,170,150</u>	<u>1,170,150</u>

THE FARADAY INSTITUTE FOR SCIENCE AND RELIGION
NOTES TO THE FINANCIAL STATEMENTS
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7 INVESTMENTS

	£
Market Value	
Brought forward	853,910
Additions	30,000
Reinvested income	19,183
Investment manager's fees	(5,553)
Application fee	(72)
Gains on disposals	8,759
Revaluation	232,678
As at 31 March 2021	<u>1,138,905</u>
As at 31 March 2020	<u>853,910</u>
Cost	
As at 31 March 2021	<u>928,359</u>
As at 31 March 2020	<u>905,712</u>

The investments are managed by Smith & Williamson.

The investments are held as follows:

Bonds	89,227
Alternatives	26,911
Property	160,924
UK equities	200,589
Overseas equities	344,927
Global equities	292,317
Cash	24,010
Market value as at 31 March 2021	<u>1,138,905</u>

8 DEBTORS

	2021 £	2020 £
Trade debtors	35	121,566
Tax refund	3,768	2,721
Other debtors	-	1,980
Prepayments and accrued Income	11,159	23,523
	<u>14,962</u>	<u>149,790</u>

9 CREDITORS

	2021 £	2020 £
Trade creditors	9,763	14,531
Other creditors	19,361	28,715
Accruals	6,873	5,062
	<u>35,997</u>	<u>48,309</u>

Included in Other creditors above is the following deferred income:

	£
As at 1 April 2020	10,000
Deferred income recognised in the year	(10,000)
Resources deferred during the year	5,000
As at 31 March 2021	<u>5,000</u>

Deferred income represents income received for post year-end courses.

THE FARADAY INSTITUTE FOR SCIENCE AND RELIGION
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10 ANALYSIS OF DESIGNATED FUNDS

	Fund b/fwd £	Income £	Expenditure £	Transfer £	Fund c/fwd £
Youth and Schools Programme	61,811	5,775	20,348	-	47,238
Faraday Institute Summer Course Fund	3,095	-	-	-	3,095
Church Engagement: Long-term future fund	32,245	3,580	-	-	35,825
	<u>97,151</u>	<u>9,355</u>	<u>20,348</u>	<u>-</u>	<u>86,158</u>

Youth and Schools Programme - This fund consists of generous donations which can be applied at The Faraday Institute's discretion to support the work of the Youth and Schools Team.

Faraday Institute Summer Course Fund - This fund consists of generous donations which can be applied at The Faraday Institute's discretion to support The Faraday Institute's annual Summer Course programmes.

Church Engagement: Long-term future fund - This fund will be used to enable The Faraday Institute's Church Engagement work to continue into the future. It will enable the Church Engagement Director to commit to relationships, projects and events beyond the current grant-funded period. Activities are likely to include building relationships with church and denominational leaders, recommending speakers, producing, reviewing and recommending resources, a dedicated section of The Faraday Institute's website, and social media.

THE FARADAY INSTITUTE FOR SCIENCE AND RELIGION
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11 ANALYSIS OF RESTRICTED FUNDS

	Fund b/fwd	Income	Expenditure	Transfer	Fund c/fwd
	£	£	£	£	£
Education Fund	9,500	-	-	-	9,500
The Next Twenty Years	297,397	4,741	101,557	(10,314)	190,267
Children's Literature 2	164,066	7,914	43,278	(15,989)	112,713
Ways of Knowing	150,000	-	-	-	150,000
Science of Human Flourishing	120,259	-	83,584	-	36,675
Church Engagement	22,738	21,000	12,307	-	31,431
International Faraday Courses	38,813	300	16,802	-	22,311
Helping the UK Church to Have a Positive Relationship with Science	99,773	150	42,524	-	57,399
Science and Religion: Mapping the Landscape	(2,360)	140,099	152,708	-	(14,969)
Exploring the Big Questions – Under 18s	43,228	122,049	55,172	(26,762)	83,343
Re-embodiment of the soul: The possibility and desirability of a personal afterlife	97,520	-	39,737	-	57,783
Aesthetic Dimensions of Science	-	3,690	-	-	3,690
	<u>1,040,933</u>	<u>299,943</u>	<u>547,669</u>	<u>(53,065)</u>	<u>740,142</u>

The Education Fund consists of funds set aside to provide financial support, to facilitate teaching in the fields of science or religion, towards the cost of resources provided by the Faraday Institute.

The Next Twenty Years - A generous grant from a donor has enabled us to buy a lease for the next twenty years in a new building (The Woolf Building) in the grounds of Westminster College, Cambridge. We have occupied purpose built offices and have invested in equipment and IT facilities which will allow us to grow both the quality and quantity of our work. The grant also enabled us to build a new website, launched in early 2020, which works across a broad range of platforms.

The Children's Literature Fund 2 - This project is seeking to enrich the communication of science and faith to young people. This is in response to research demonstrating that by the age of 11 many young people worldwide consider science and faith to be in conflict. This project will develop new media materials for children aged 2-12 that provide positive narratives about the relationship between mainstream science and religious questions. In collaboration with four well-established publishers, Lion-Hudson, SPCK, Scripture Union and Religious Education Today, 19 creative ideas for new books and apps have been selected as outputs. Ultimately this will contribute to the development of a new generation who will view the relationship between science and faith more positively.

Ways of Knowing - This project is a collaboration between the Fetzer Institute and the Faraday Institute for Science and Religion to implement the Fetzer Institute's New Narrative Epistemology and Ontology Initiative.

11 ANALYSIS OF RESTRICTED FUNDS (continued)

The Science of Human Flourishing - This fund comprises a series of sub-projects tied together under the heading of The Science of Human Flourishing. Most of the sub-projects are now completed with remaining work focusing on disasters and the place of religious faith in the response to disasters.

Church Engagement - A new initiative to resource and encourage the UK church community to engage with contemporary science, allowing us to dedicate a member of staff to oversee and develop this aspect of The Faraday Institute's outreach. Activities include recommending speakers, building relationships with church and denominational leaders, producing, reviewing and recommending resources, a dedicated section of The Faraday Institute's website, and social media. This project has a particular focus on New and Independent churches in East Anglia.

International Faraday Courses - This is part of a programme to extend the Institute's reach into the countries of the global 10/40 window and convey a positive message on Science and Christian Faith. There is a hunger for engagement with science and faith issues, especially among younger academics. Our target audience is primarily universities and colleges as we seek to be strategic and reach opinion formers in local communities.

Helping the UK Church to Have a Positive Relationship with Science - A new initiative to resource and encourage the UK church community to engage with contemporary science, allowing us to dedicate a member of staff to oversee and develop this aspect of The Faraday Institute's outreach. Activities include short courses for Church Leaders, speaker training, building relationships with church and denominational leaders, recommending speakers, producing, reviewing and recommending resources, a dedicated section of The Faraday Institute's website, and social media.

Science and Religion: Mapping the Landscape - This three-year project, in partnership with THEOS, funded by the Templeton Religion Trust, is researching the perception of 'science' and 'religion' in the UK today. This project will explore to what extent, about what and why people believe there is conflict between science and religion. The findings will enable us to produce relevant, targeted and useful resources for engaging in the science and religion dialogue. At 31 March 2021 the fund was in deficit due to timing differences.

Exploring the Big Questions – Under 18s - This three-year expansion project from The Faraday Institute Youth and Schools Programme seeks to find the most effective ways to equip young people to explore their big science-faith questions. The fund integrates several funding sources, including grants from the AllChurches Trust, John Templeton Foundation and Kirby Laing Foundation. The project involves several constructively intersecting project strands: hands-on events for young people in schools and churches; training events; purchase and development of new equipment, teaching and training resources; production of further published materials; and effective impact analysis.

'Re-embodiment of the soul': The possibility and desirability of a personal afterlife - This Project is funded with a grant from the Templeton Religion Trust. This research project is an exploration of the philosophy of the afterlife. Sub-themes of the project include the metaphysics of personal identity, the compatibility of physicalism and resurrection, and the desirability of an individual and embodied immortality. Research from the Project will be submitted to philosophical journals for publication.

Aesthetic Dimensions of Science - This sub-grant is to facilitate dissemination of data from the Work and Well-being in Science study, which is led by a collaborator at the Catholic University of America, in particular the data on the importance of aesthetics (wonder, beauty and awe) to scientists around the world. The Church Engagement Director will include this topic, and the data provided, in her writing, speaking, social media and events articles and The Faraday Institute will also run events on this topic.

The transfers from restricted funds to unrestricted funds are overhead contributions from these funds.

THE FARADAY INSTITUTE FOR SCIENCE AND RELIGION
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12 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds General Fund	Restricted Funds	Designated Funds	Total Funds 2021
	£	£	£	£
Tangible fixed assets	28,238	-	-	28,238
Intangible fixed assets	1,102,900	-	-	1,102,900
Investments	1,138,905	-	-	1,138,905
Net assets/(liabilities)	418,248	740,142	86,158	1,244,548
Total net assets	<u>2,688,291</u>	<u>740,142</u>	<u>86,158</u>	<u>3,514,591</u>

13 RELATED PARTY DISCLOSURES

See Note 4.

14 TRANSFER OF FUNDS

On 30 September 2018 the net assets, which totalled £367,320, of The Faraday Institute were transferred to The Faraday Trust for Science and Religion. A final balance of £590 was transferred on 29 November 2019.

THE FARADAY INSTITUTE FOR SCIENCE AND RELIGION
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15 COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted Funds	Designated Funds	Restricted Funds	Total Funds 2020
	£	£	£	£
Income from:				
Donations and legacies	14,188	2,188	-	16,375
Charitable activity				
Advancement of Education	429,890	77,863	846,025	1,353,778
Other trading activities				
Events	205	-	588	793
Sale of materials	5,621	-	-	5,621
Investment income				
Interest receivable	5,045	-	-	5,045
Dividend income	21,853	-	-	21,853
Total Income	476,803	80,051	846,613	1,403,465
Expenditure on:				
Raising funds	5,821	-	2,699	8,519
Charitable activity				
Advancement of Education	383,777	4,821	688,007	1,076,604
Other trading activities				
Purchase of materials	5,614	-	-	5,614
Total Expenditure	395,211	4,821	690,706	1,090,738
Transfer between funds	23,369	11,579	(34,948)	-
Transfer from The Faraday Institute	590	-	-	590
Gains on investment assets	(85,892)	-	-	(85,892)
Net income/(Expenditure) and net movement in funds for the year	19,658	86,809	120,959	227,426