

THE CHANDRIS FOUNDATION

**TRUSTEES REPORT AND CONSOLIDATED
FINANCIAL STATEMENTS**

31st DECEMBER 2019

The Chandris Foundation

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The Chandris Foundation

Trustee and Administrative Information

Charity Registration Number	280559
Principal Address	17 Old Park Lane London W1K 1QT
Trustees	Chandris Foundation Trustees Limited A.M. Chandris D.J. Chandris
Registered Office	55 Baker Street London W1U 7EU
Auditor	BDO UK LLP 55 Baker Street London W1U 7EU

The Chandris Foundation

Trustees Report for the year ended 31st December 2019

The trustees submit the report and the consolidated financial statements of The Chandris Foundation for the year ended 31st December 2019. The financial statements have been prepared in accordance with current statutory requirements, the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable in charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Structure, Governance and Management

The Chandris Foundation was established on 2nd April 1980 by the late Mr. Anthony J. Chandris, as an irrevocable charitable settlement and is governed by its Trust Deed. It is registered with the Charity Commission Central Register No. 280559 dated 19th August 1980. The management of the Foundation is vested to a trustee, a limited company, and its directors.

To the extent that the Charity is able, The Chandris Foundation provides charitable donations to those for relief of hardship, sickness and disability and other charitable purposes including education. The charity obtains its income for distributions from the trading of the Chandris England group as shipping and chartering agents and insurance mediatory. Chandris (England) Limited is a subsidiary of The Chandris Foundation through shares held by The Chandris Foundation Trustees Limited as nominee. The Chandris (England) group holds two defined benefit pension schemes in which the liability is being reduced over the next 5 years. However, they remain highly volatile and are subject to regulatory control. The directors of Chandris (England) Limited remain cautious of their pension risks and obligations. Going forward, The Chandris Foundation is expected to make increased donations to the community as the liability reduces and there is a growth in distributable reserves. Subsequent to the year-end, the Charity has made donations of £11,200 (unaudited) and is expecting to continue to donate to the community up to the value of £40,000 by December 2020.

The Foundation must have at all times a minimum of two individuals or one corporation as trustee. A sole trustee may act to appoint a new trustee or trustees. Any corporate body may at any time be appointed as a general trustee. The statutory power of appointing new trustees is vested in any person appointed by the founder. The directors of the trustee company attend training development courses as appropriate to their needs. Remuneration for key management personnel is set using comparative market rates.

Risk management

The trustees regularly monitor the opportunities available to the charity and the risks to which it is exposed.

As part of this process the trustee has implemented a risk management strategy which comprises:

- The establishment of systems and controls to manage the risks identified.
- The implementation of procedures designed to minimise any potential impact on the charity should any of those risks materialise.
- An annual review of the risks which the charity may face and the implementation of any changes to the controls that might be deemed necessary.

The Chandris Foundation

Trustee's Report for the year ended 31 December 2019 (Continued)

Objectives and Activities for the Public Benefit

The objective of the Foundation is to make charitable donations for the relief of hardship, sickness and disability, the advancement of education, and for other charitable purposes which help and benefit the community. The trustees acknowledge the duty in Section 4 of the Charities Act 2011 to have due regard to the Charity Commission's published general and relevant sub-sector guidance on public benefit. The trustees have referred to this guidance when reviewing the aims, strategy and in planning future activities and setting the donation policy for the year.

The Charitable Trust Deed states:

"Charitable Objects" means such purposes, institutions and foundations throughout the world as are recognised to be charitable according to the law of England and Wales and "Charitable Object" shall have a corresponding meaning.

There have been no material changes in objects since the last report. As in the past, the Foundation has allocated its resources primarily to support children's charities, cancer relief charities, Greek charities and maritime charities. The Foundation attains its objectives by reviewing requests from prospective donation recipients and ensuring that the requests merit its support.

Details of donations made are disclosed in note 3.

Achievements and Performance

The Foundation aims to match its incoming resources with donations made over the longer term. This depends to an extent on the suitability of donation requests received and also the ability of the Foundation to make donations in conjunction with similar charities or institutions.

The trustees considers that this aim was achieved in the current year.

Subsequent to the year end, the charity made donations totalling £11,200 (unaudited) in line with the objectives and activities for public benefit.

Financial Review

The Group reports consolidated income of £2,913,723 (2018: £4,068,301) and total expenditure of £2,536,206 (2018: £3,610,159) as set out on pages 9 to 25. The Foundation reports income of £25,620 (2018: £25,481) and total expenditure of £29,451 (2018: £15,254).

For the year under review the majority of the income of the Foundation continued to comprise dividends from Chandris (England) Limited, a holding and co-ordinating company for two subsidiaries whose activities are those of shipping and chartering agents and insurance mediation. Income from this source was identical to last year. Chandris (England) Limited, company number 00608546, incorporated in the UK, is a holding and co-ordinating company for its two wholly owned subsidiaries, Chandris (U.K) Limited, company number 00607342 incorporated in the UK and Chandris Insurance Services (U.K) Limited, company number 05321376, incorporated in the UK, whose activities are those of shipping and chartering agents and insurance mediation.

The Group headed by Chandris (England) Limited reports a profit after tax for the year ended 31st December 2019 of £406,545 (2018: £115,691) representing turnover of £2,904,892 (2018: £3,944,313) and total expenditure of £2,506,755 (2018: £3,594,907) and net assets at 31st December 2019 of £593,094 (2018: £563,179). The financial statements of Chandris (England) Limited are available from the following address: 17 Old Park Lane, London W1K 1QT.

Expenditure for the year included charitable payments amounting to £29,450 (2018: £15,245).

The Chandris Foundation

Trustees Report for the year ended 31 December 2019 (Continued)

Reserves Policy

The Chandris Foundation maintains reserves at the entity level which the trustees deem appropriate for the efficient operation of the Foundation and for the generation of additional income on a prudent basis.

There are minimal management and administration expenses at the entity level therefore a level of free reserves of £100,000 is considered appropriate.

The actual free reserves exceeded the required level for the Foundation and amounted to £219,355 (2018: £223,186) excluding investments.

Directors Loans

Included in the debtors of The Chandris Foundation are amounts due to the Group by two subsidiary directors. The balances outstanding at the year end, included in other debtors were £6,392 and £53,280. A.M. Chandris who holds a loan is also a trustee. The nature of these loans are for ad-hoc expenses of individuals recognised in the trading entities. The balances are cleared down quarterly and the amounts are interest free. Based on the guidance issued by The Charities Commission in March 2019 in relation to Charities with a connection to a non-charity, the trustees and subsidiary directors will aim to clear down these loans to nil by 31st December 2020.

Plans for Future Periods

Within the available financial resources of the Foundation, the trustee plans to continue to make donations to charitable institutions and therefore meet its objectives in future years.

The trustees report was approved by the trustee on **28 SEP 2020**

Chandris Foundation Trustees Limited
R. HANKS - Director



The Chandris Foundation

Statement of Trustees Responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charity and of the incoming resources and application of resources, including the income and expenditure, of the group and charity for that period.

In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

INDEPENDENT AUDITOR'S REPORT TO TRUSTEES OF THE CHANDRIS FOUNDATION

Opinion

We have audited the financial statements of The Chandris Foundation ("the Parent Charity") and its subsidiaries ("the Group") for the year ended 31 December 2019 which comprise the consolidated statement of financial activities, non-consolidated statement of financial activities, statement of financial position 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)¹.

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Charity's affairs as at 31 December 2019 and of the Group's incoming resources and application of resources 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 Charities Act 2011.

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 Group and the Parent Charity in accordance with the ethical requirements 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 related to going concern

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

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

Other information

The other information comprises the information included in the Trustees Report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information.

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.

INDEPENDENT AUDITOR'S REPORT TO TRUSTEES OF THE CHANDRIS FOUNDATION (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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 require us to report to you if, in our opinion;

- the information contained in the financial statements is inconsistent in any material respect with the Trustees' Annual Report; or
- adequate accounting records have not been kept by the Parent Charity; or
- the Parent Charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees Responsibilities, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determines 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 Group's and the Parent Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act[s] and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**INDEPENDENT AUDITOR'S REPORT TO TRUSTEES OF THE CHANDRIS FOUNDATION
(CONTINUED)**

Use of our report

This report is made solely to the Charity's trustees, as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the Charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Cassie Forman-Kotsapa, *Senior Statutory Auditor*
For and on behalf of BDO LLP, Statutory Auditor
London, UK

Date: 29 September 2020

BDO LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

**The Chandris Foundation
and its Subsidiary Companies**

**Consolidated Statement of Financial Activities
For the year ended 31st December 2019**

	Note	2019 £	Unrestricted Funds 2018 £
Income and endowments from:			
Other trading activities	1(c)	2,904,892	4,064,211
Investment Income	2	5,831	4,090
Other income		3,000	-
		<hr/>	<hr/>
Total Income		2,913,723	4,068,301
Expenditure on:			
Charitable activities:			
Donations paid	3	(29,450)	(15,245)
Governance costs		-	(9)
Other trading activities:			
Administrative expenses		(2,488,756)	(3,517,905)
Finance costs of pension scheme		(18,000)	(77,000)
		<hr/>	<hr/>
Total expenditure	4	(2,536,206)	(3,610,159)
United Kingdom corporation tax	7	(1,314)	(38,039)
Deferred taxation	7	(836)	(319,588)
		<hr/>	<hr/>
Total Taxation on trading activities		(2,150)	(357,627)
Net income for the year before gains on investments		375,367	100,515
Net gains on investments	8	2,347	405
		<hr/>	<hr/>
Net income		377,714	100,920
Other recognised (loss)/gain:			
Actuarial (loss)/gain on pension scheme		(318,000)	222,000
Liabilities extinguished on benefit changes	14	-	1,279,000
Deferred tax on actuarial loss		(33,630)	(44,270)
		<hr/>	<hr/>
Net movement in funds		26,084	1,557,650
Reconciliation of Funds			
Total funds brought forward		786,365	(771,285)
		<hr/>	<hr/>
Total funds carried forward		812,449	786,365
		<hr/>	<hr/>

The notes on pages 13 to 25 form part of these financial statements.

All activities relate to continuing operations.

**The Chandris Foundation
and its Subsidiary Companies**

**Non-Consolidated Statement of Financial Activities
For the year ended 31st December 2019**

		<u>Unrestricted Funds</u>	
	<u>Note</u>	<u>2019</u> £	<u>2018</u> £
Income and endowments from:			
Dividends from subsidiary company		25,620	25,481
		<u>25,620</u>	<u>25,481</u>
Expenditure on:			
Charitable activities:			
Donations paid	3	(29,450)	(15,245)
Raising funds:			
Other expenditure		<u>(1)</u>	<u>(9)</u>
Total expenditure		<u>(29,451)</u>	<u>(15,254)</u>
Net (expenditure)/income for the year		<u>(3,831)</u>	<u>10,227</u>

The notes on pages 13 to 25 form part of these financial statements.

All activities relate to continuing operations.

**The Chandris Foundation
and its Subsidiary Companies**

Statement of Financial Position - 31st December 2019


	<u>Note</u>	<u>Group</u>		<u>Charity</u>	
		2019	2018	2019	2018
		£	£	£	£
Fixed Assets					
Tangible fixed assets	9	38,089	38,536	-	-
Investments	10	18,530	16,183	500,000	500,000
		56,619	54,719	500,000	500,000
Current Assets					
Debtors, falling due after one year		256,513	301,378	-	-
Debtors, falling due within one year	11	828,208	1,081,178	-	-
Cash at bank and in hand		1,236,203	1,170,954	219,355	223,186
		2,064,411	2,252,132	219,355	223,186
Creditors, amounts falling due within one year	12	(531,094)	(605,864)	-	-
Net Current Assets		1,789,830	1,646,268	219,355	223,186
Total Assets less Current Liabilities		1,846,449	2,002,365	719,355	723,186
Net Assets excluding Pension Liability		1,846,449	2,002,365	719,355	723,186
Pension liability	14	(1,034,000)	(1,216,000)	-	-
Net Assets including Pension liability		812,449	786,365	719,355	723,186
Funds					
Unrestricted funds excluding pension liability		1,653,448	1,773,560	719,355	723,186
Pension liability, net of deferred tax		(840,999)	(987,195)	-	-
Total charity funds		812,449	786,365	719,355	723,186

These financial statements were approved by the Trustee on

28 SEP 2020

Chandris Foundation Trustees Limited


A.M. CHANDRIS
Director


D.J. CHANDRIS
Director


R.S. HANKS
Director

**The Chandris Foundation
and its Subsidiary Companies**

Statement of cash flows

	Group		Charity	
	2019	2018	2019	2018
	£	£	£	£
Cash flows from operating activities				
Net income/(expenditure) for the year	377,714	100,920	(3,831)	10,227
Adjustments for:				
Tax on ordinary activities	2150	357,627	-	-
Gain on investments	(2,347)	(405)	-	-
Depreciation of tangible fixed assets	13,539	12,621	-	-
Cost of defined benefit pension scheme	96,000	198,000	-	-
Contributions to defined benefit pension scheme	(596,000)	(605,000)	-	-
Loss on disposal of tangible fixed assets	-	8,491	-	-
Decrease/(Increase) in debtors	297,835	(165,427)	-	(10,227)
(Decrease)/Increase in creditors	(74,770)	172,341	-	-
Net cash from operating activities	114,121	79,710	(3,831)	-
Corporation tax paid	(35,780)	(23,586)	-	-
Cash used in operating activities	78,341	55,584	(3,831)	-
Cash flows from investing activities				
Purchase of tangible fixed assets	(13,092)	(18,955)	-	-
Cash used in investing activities	(13,092)	(18,955)	-	-
Change in cash and cash equivalents in the year	65,249	36,628	(3,831)	10,227
Cash and cash equivalents at 1 January	1,170,954	1,134,326	223,186	212,959
Cash and Cash equivalents at 31 December	1,236,203	1,170,954	219,355	223,186

**The Chandris Foundation
and its Subsidiary Companies**

**Notes to the Consolidated Financial Statements
For the year ended 31st December 2019**

1. Accounting Policies

(a) Basis of accounting

The financial statements have been prepared under the historical cost convention with the exception of investment assets which are carried at valuation where reliable estimation is possible. The financial statements have been prepared in accordance with the Charities Act 2011, and the Charities SORP (FRS 102); "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)". The Charity constitutes a Public Benefit Entity as defined by FRS102.

The presentation currency is GBP Sterling, being the functional and performance measurement currency of the charity.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following Accounting and Reporting by Charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005, which has since been withdrawn.

The financial statements have been prepared on a going-concern basis, which contemplates the realisation of assets and the settlement of liabilities in the ordinary course of business. At the reporting date the Group is in a net asset position and has sufficient cash balances. The trustee reviews forecasted cashflows and is confident that the Group can meet its liabilities (including annual pension lump sums) as they fall due and therefore that the going concern basis is the appropriate basis of preparation. The trustee does not view the coronavirus pandemic (COVID-19) to have a significant effect on the ability of the Group to continue as a going concern for the foreseeable future due to adequate reserves and minimal effects on primary customers.

(b) Basis of consolidation

The financial statements are prepared on a consolidated basis as the Chandris Foundation holds an investment in Chandris England Limited, which heads a group operating as shipping and chartering agents, together with an insurance intermediary. The Chandris England group is a trading group and provide funds, via dividends from its reserves to the The Chandris Foundation in order for the charity to make distributions for the relief of hardship, sickness and disability, the advancement of education, and for other charitable purposes which help and benefit the community. Chandris Foundation Trustees Limited owns the shares of The Chandris (England) Group, which are held as nominee on behalf of the Charity, as is stated in its objects clause.

The consolidated financial statements include the results of the Charity, and its subsidiaries as set out in note 10 for the year ended 31st December 2019.

(c) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received and the amount can be measured reliably. The consolidated income represents agency and administrative fees receivable, exclusive of value added tax. Income is recognised on an accruals basis as the service is provided.

**The Chandris Foundation
and its Subsidiary Companies**

**Notes to the Consolidated Financial Statements
For the year ended 31st December 2019**

(d) Investments and investment income

Investments in listed equities are stated at market value as measured at each period end. The periodic gains and losses arising on revaluation are recognised in the Statement of Financial Activities. Unlisted investments and the investment in the subsidiary entity are stated at cost less any permanent diminution in value. Interest income is recognised on an accruals basis. Dividend income is recognised when the Group's right to receive payment has been established.

(e) Expenditure recognition

Expenditure is included in the statement of financial activities on an accruals basis and comprise:

Charitable expenditure of donations made to support the objects of the Charity. Donations payable are charged to the statement of financial activities on the date of approval.

Administrative costs are costs associated with the operations of the Group.

Governance costs are those costs associated with meeting the constitutional and statutory requirements of the Charity, including costs incurred by the trustee linked to the strategic management of the Charity.

(f) Fixed assets and depreciation

Depreciation is provided on all tangible fixed assets at annual rates calculated to write off the cost of each asset over its expected useful life as follows:

Leasehold improvements	-	Over period of the lease
Furniture and fittings	-	15% on the written down value
Office and computer equipment	-	33 $\frac{1}{3}$ % on cost

No depreciation has been provided on the motor vehicle owned by Chandris (UK) Limited, as in the opinion of the trustees the estimated residual value is such that any depreciation would be immaterial.

(g) Taxation

Current tax is provided at amounts expected to be paid using the tax rates and laws that have been enacted or substantially enacted by the reporting date.

Deferred taxation is provided on timing differences that have originated but not reversed by the reporting date on a non-discounted basis using tax rates that are expected to apply based on tax rates and laws that have been enacted or substantially enacted by the reporting date. Deferred taxation assets are recognised only to the extent that it is considered more likely than not that there will be suitable trading profits from which future reversals of the underlying timing differences can be deducted.

(h) Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**The Chandris Foundation
and its Subsidiary Companies**

**Notes to the Consolidated Financial Statements
For the year ended 31st December 2019**

(i) Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

(j) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are measured initially at fair value, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

(k) Financial instruments

The trust only has the financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

(l) Pensions

The Group operates two defined benefit pension schemes. Pension scheme assets are measured using market values. Pension scheme liabilities are measured on an accruals basis using the projected unit method and are discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability. Any increase in the present value of the liabilities of the defined benefit pension schemes expected to arise from employee service in the year is charged to operating profit. The expected return on the schemes' assets and the increase during the year in the present value of the schemes' liabilities arising from the passage of time are included in other finance costs. Actuarial gains and losses are recognised in the statement of total recognised gains and losses net of deferred tax. Pension scheme surpluses, to the extent that they are recoverable, or deficits are recognised on the statement of financial position net of related deferred tax.

The Group also contributes to defined contribution pension schemes and payments are charged as an expense, as they fall due.

(m) Foreign currencies

The functional and reporting currency is Pound Sterling. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rates ruling at the reporting date. Revenues, costs and non-monetary assets and liabilities are translated at the exchange rates ruling at the dates of transactions. Foreign exchange gains and losses are included in the statement of financial activities.

(n) Unrestricted funds

These are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

**The Chandris Foundation
and its Subsidiary Companies**

**Notes to the Consolidated Financial Statements
For the year ended 31st December 2019**

2. Investment Income

	<u>2019</u>	<u>2018</u>
	£	£
Fixed asset investments (dividends)	398	378
Interest receivable	5,433	3,712
	<u>5,831</u>	<u>4,090</u>

3. Donations

The nature of the donations made during the year was as follows:

Greek Charities	£
Greek Cathedral St Sophia	2,000
Medasset	250
Museum of Cycladic Art	5,000
	<u>7,250</u>

Children's Charities

Brainwave	500
Child Brain Injury	500
Children's Trust	500
Crackerjack Children's Trust	500
GoKidsGo	600
Great Ormond Street Hospital Charity	500
Happy Days	500
Honeypot Children's Charity	2,000
Noah's Ark Children's Hospice	500
Rays of Sunshine	250
	<u>6,350</u>

Cancer Relief Charities

Breast Cancer Now	750
Clic Sargent	700
Coppa Feel	250
Kids Cancer Charity	500
Lennox Children's Cancer Fund	500
Royal Marsden Cancer Charity	500
Strongbones Children's Charitable Trust	500
Target Ovarian Cancer	500
	<u>4,200</u>

Maritime Charities

Jubilee Sailing Trust	<u>200</u>
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**The Chandris Foundation
and its Subsidiary Companies**

**Notes to the Consolidated Financial Statements
For the year ended 31st December 2019**

3. Donations (continued)

Other Charities	£
ABF Soldiers Charity	500
Bloodwise	500
Cerebra	500
Cherished Memories	500
Cranleigh Arts Centre	250
Cranleigh Community Fund	300
De Paul Charity	3,500
Gold Geece	500
Little Havens Hospice	500
Meningitis Now	500
Mercy Ships	700
Metro Blind Sport	500
National Brain Appeal	700
Prostate Cancer Research	500
Rowleys	300
Shine	500
Stroke Association	700
	<hr/>
	11,450
	<hr/>
Total Donations	29,450

4. Total Expenditure

	Charitable activities	Other trading activities	Total 2019	Total 2018
	£	£	£	£
Charitable Expenditure	-	-	-	9
Donations	29,450	-	29,450	15,245
Audit and accountancy	-	52,691	52,691	50,700
Bank charges	-	4,363	4,363	4,348
Computer costs	-	48,389	48,389	40,506
Depreciation	-	13,539	13,539	17,961
Insurance	-	15,767	15,767	16,996
Legal and professional	-	111,011	111,011	135,720
Motor car expenses	-	188	188	195
Postage, telephone and cables	-	77,420	77,420	92,200
Printing and stationery	-	4,978	4,978	12,361
Publications	-	12,870	12,870	14,175
Rent, rates and services	-	423,207	423,207	708,434
Repairs and renewals	-	3,490	3,490	150,977
Staff costs	-	1,618,625	1,618,625	2,162,264
Subscriptions	-	5,178	5,178	4,554
Sundries	-	40,798	40,798	41,711
Travel and entertaining	-	32,470	32,470	37,665
Past Service Costs	-	-	-	11,000
Loss on disposal	-	-	-	8,491
Bad debts	-	23,772	23,772	5,340
Finance cost of pension scheme	-	18,000	18,000	77,000
	<hr/>	<hr/>	<hr/>	<hr/>
	29,450	2,506,756	2,536,206	3,610,159

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**Notes to the Consolidated Financial Statements
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5. Trustee's Expenses

A total of £nil (2018: £9) was reimbursed to the trustee in the year. These payments were for bank charges incurred. Neither the trustee nor any person connected with it has received or is due to receive any remuneration for the year either directly or indirectly from the Charity funds.

6. Employees' Remuneration

The Charity does not employ any staff members. The Charity receives accountancy and administration services from its subsidiary company free of charge.

The staff costs amounting to £1,618,625 (2018: £2,162,264) are the employee costs incurred by the Charity's subsidiary companies. These include chauffeur costs and payments to private medical plans.

The amount consists of:

	<u>2019</u>	<u>2018</u>
	£	£
Wages and salaries	817,128	1,361,039
Social security costs	108,375	76,019
Pension costs	663,852	702,591
Other staff costs	29,270	22,615
	<u>1,618,625</u>	<u>2,162,264</u>

The average monthly number of employees during the year was as follows:

	<u>2019</u>	<u>2018</u>
Managerial	4	4
Operations	2	4
Administration	7	7
Secretarial	2	3
	<u>15</u>	<u>18</u>

During the year, the average number of employees paid within the following bands were:

	<u>2019</u>	<u>2018</u>
Less than £60,000	11	11
£60,000 - £70,000	1	2
£70,000 - £90,000	1	2
£90,000 - £120,000	-	-
£120,000 - £140,000	1	2
£140,000 - £150,000	-	-
£150,000 - £200,000	1	1
£250,000 - £280,000	-	-
	<u>15</u>	<u>18</u>

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6. Employees' Remuneration (continued)

Of the employees paid in excess of £50,000 (2018: £60,000) 1 (2018: 2) was accruing benefits under defined benefit pension schemes. The Group also made contributions of £8,644 (2018: £10,209) towards defined contribution schemes in respect of employees paid in excess of £50,000.

The trustees are not remunerated for their role as trustees by The Chandris Foundation. Emoluments (including benefits in kind) paid to directors of the subsidiary companies amounted to £334,022 (2018: £782,551). The number of directors' accruing benefits under defined benefit schemes amounted to 1 (2018: 2). The group also made contributions of £17,871 (2018: £21,924) towards defined contribution schemes in respect of 2 directors of the subsidiary companies. The beneficial owners of the corporate trustee are A.M Chandris and D.J. Chandris who received remuneration of £138,416 and £135,795 respectively. R.S. Hanks, director of The Chandris Foundation Trustees Limited, received remuneration of £80,800 in the year.

7. Taxation

The Chandris Foundation is a registered charity and is therefore potentially exempt from taxation on its charitable income and gains as it falls within the definition of a charity as defined in Part 1, Schedule 6 of the Finance Act 2010. No tax charge has arisen during the year.

The taxation charge in the year is in respect of taxation in the Charity's subsidiary companies. The tax charge comprises the following amounts:

	<u>2019</u> £	<u>2018</u> £
United Kingdom corporation tax	1,314	38,039
Deferred tax	836	319,588
	<u>2,150</u>	<u>357,627</u>

The deferred tax charge for the year comprises:

	<u>2019</u> £	<u>2018</u> £
Movement on the deferred tax liability	(114)	1,338
Movement in deferred tax in respect of the pension liability	950	318,250
	<u>836</u>	<u>319,588</u>

8. Net Gains on Investments

	<u>2019</u> £	<u>2018</u> £
Revaluation of listed investments	<u>2,347</u>	<u>405</u>

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9. Tangible Fixed Assets

<u>Group</u>	<u>Leasehold Improvements</u> £	<u>Motor Car, Furniture and Fittings</u> £	<u>Office and Computer Equipment</u> £	<u>Total</u> £
Cost				
At 1st January 2019	75,990	90,917	88,172	255,079
Additions	-	-	13,092	13,092
At 31st December 2019	75,990	90,917	101,264	268,171
Depreciation				
At 1st January 2019	75,990	61,236	79,317	216,543
Charge for the year	-	2,353	11,186	13,539
At 31st December 2019	75,990	63,589	90,503	230,081
Net book value				
At 31st December 2019	-	27,328	10,761	38,089
At 31st December 2018	-	29,681	8,854	38,536

The Charity has no tangible fixed assets.

10. Investments

	<u>Group</u>		<u>Charity</u>	
	<u>2019</u> £	<u>2018</u> £	<u>2019</u> £	<u>2018</u> £
Subsidiary companies	-	-	500,000	500,000
Listed investments	18,530	16,183	-	-
	18,530	16,183	500,000	500,000

All investments are held primarily to provide an investment return. The movement in the group investment relates wholly to the investment revaluation gain of £2,347 (2018: £405). The market value of listed investments at the year-end was £18,530 (2018: £16,183). The increase in listed investments at the year-end is due wholly to their revaluation to market value. The change in valuation has been recognised as a gain on investments in the Statement of Financial Activities.

The Charity holds the following investment at cost in a wholly owned subsidiary undertaking:

	<u>2019</u> £	<u>2018</u> £
Chandris (England) Limited	500,000	500,000

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10. Investments (continued)

The investment represents the ownership of 500,000 ordinary shares at a par value of £1 each.

The Foundation must have at all times a minimum of two individuals or one corporation as trustee. A sole trustee may act to appoint a new trustee or trustees. Any corporate body may at any time be appointed as a general trustee. The statutory power of appointing new trustees is vested in any person appointed by the founder.

Chandris (England) Limited, company number 00608546, incorporated in the UK, is a holding and co-ordinating company for its two wholly owned subsidiaries, Chandris (U.K) Limited, company number 00607342 and incorporated in the UK and Chandris Insurance Services (U.K) Limited, company number 05321376 and incorporated in the UK, whose activities are those of shipping and chartering agents and insurance mediation.

The Group headed by Chandris (England) Limited reports a profit after tax for the year ended 31st December 2019 of £406,545 (2018: £115,691) representing turnover of £2,904,892 (2018: £3,944,313) and total expenditure of £2,506,755 (2018: £3,594,907) and net assets at 31st December 2019 of £593,094 (2018: £563,179). The financial statements of Chandris (England) Limited are available from the following address: 17 Old Park Lane, London W1K 1QT.

11. Debtors

	Group		Charity	
	2019	2018	2019	2018
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	236,323	643,672	-	-
Other debtors	263,016	180,947	-	-
Prepayments and accrued income	328,869	256,559	-	-
	<u>828,208</u>	<u>1,081,178</u>	<u>-</u>	<u>-</u>
Amounts falling due after more than one year:				
Deferred tax	193,001	227,467	-	-
Other debtors	63,512	73,911	-	-
	<u>256,513</u>	<u>301,378</u>	<u>-</u>	<u>-</u>

During the year, the group advanced numerous small interest free amounts to A.M. Chandris and M.D. Chandris. M.D. Chandris retired as a director on 31.03.2016. A.M. Chandris is also a trustee. These amounts are in relation to ad-hoc expenses of individuals recognised in the trading entities of the group. The amounts are cleared down quarterly and are interest free. Going forward, the directors will reduce these balances to nil in line the guidance issued by The Charities Commission in March 2019 in relation to Charities with a connection to a non-charity. The balances outstanding at the year end, included in other debtors were £6,392 (2018: £44,586) and £53,280 (2018: £0) respectively.

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12. Creditors, amounts falling due within one year

	Group		Charity	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
	£	£	£	£
Corporation tax	2,835	43,600	-	-
Other creditors, taxation and social security	323,861	403,851	-	-
Accruals	204,398	158,413	-	-
	<u>531,094</u>	<u>605,864</u>	<u>-</u>	<u>-</u>

13. Deferred taxation

The deferred taxation asset at the end of the year comprises:

	Group		Charity	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
	£	£	£	£
Deferred tax on net pension scheme deficit	189,541	231,041	-	-
Accelerated capital Allowances	6,177	(6,029)	-	-
Other timing differences	(2,717)	2,455	-	-
	<u>193,001</u>	<u>227,467</u>	<u>-</u>	<u>-</u>

The movement in deferred tax is as follows:

	<u>2019</u>	<u>2018</u>
	£	£
At 1st January	227,467	591,394
Deferred tax charge in relation to income and expenditure (note 7)	(836)	(319,588)
Deferred tax credit through other recognised gains/losses	(33,630)	(44,270)
At 31st December	<u>193,001</u>	<u>227,467</u>

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14. Pensions

(a) Defined benefit schemes

The Group operates two defined benefit pension schemes for eligible employees referred to as the plan and the fund. The assets of the schemes are held separately from those of the Group; being invested with an insurance company.

The movement in the defined benefit obligation and assets over the year is as follows:

	2019		
	<u>Plan</u>	<u>Fund</u>	<u>Total</u>
	£'000	£'000	£'000
Obligation:			
At 1st January 2019	9,378	8,607	17,985
Current service cost	28	43	71
Interest cost	248	227	475
Actuarial losses/(gains)	215	928	1,143
Benefits paid	(450)	(371)	(821)
Actual employee contributions	3	7	10
	<u>9,422</u>	<u>9,441</u>	<u>18,863</u>
At 31st December 2019			

	<u>Plan</u>	<u>Fund</u>	<u>Total</u>
	£'000	£'000	£'000
Assets:			
At 1 January 2019	9,463	7,306	16,769
Interest income on plan assets	249	208	457
Asset losses	146	682	828
Employer contributions	-	586	586
Employee contributions	3	7	10
Benefits paid	(450)	(371)	(821)
	<u>9,411</u>	<u>8,418</u>	<u>17,829</u>
At 31 December 2019			

Net defined benefit pension scheme (liability)/surplus

	<u>Plan</u>	<u>Fund</u>	<u>Total</u>
	£'000	£'000	£'000
At 31 December 2019	<u>(11)</u>	<u>(1,023)</u>	<u>(1,034)</u>
At 31 December 2018	<u>85</u>	<u>(1,301)</u>	<u>(1,216)</u>

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**Notes to the Consolidated Financial Statements
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14. Pensions (continued)

The amounts recognised in the income statement are as follows:

	<u>2019</u> £'000	<u>2018</u> £'000
Current service cost	71	101
Interest cost	226	265
Interest income on plan assets	(208)	(188)
Losses due to benefit changes	-	19
	<hr/>	<hr/>
Total included in staff cost	89	197

The aggregate assets of the defined benefit pension scheme are comprised as follows:

	<u>2019</u> %	<u>2018</u> %
Equity instruments	28	26
Debt instruments	21	21
Insured pensions	46	49
Other	5	4
	<hr/>	<hr/>
	100	100

The actual return on plan assets was £828,000 (2018: £977,000).

The principal actuarial assumptions used in valuing the defined benefit pension scheme were as follows:

	<u>2019</u>		<u>2018</u>	
	<u>Plan</u> %	<u>Plan</u> %	<u>Fund</u> %	<u>Fund</u> %
Discount rate	2.0	1.9	2.7	2.7
Inflation rate	2.8	3.2	3.2	3.3
Future salary increases	2.5	2.5	2.5	2.5
Future pension increases	2.7	3.2	3.1	3.3

Assumptions regarding future mortality experience are set based on actuarial advice in accordance with published statistics and experience in the relevant jurisdictions. Mortality assumptions are based on the following post-retirement mortality tables: Plan – PNA00 and fund – S2PMA and S2PFA.

These tables indicate an average life expectancy in years of a pensioner retiring at age 65 as follows:

	<u>2019</u>	<u>2018</u>
Retiring at the end of the reporting period		
- Male	22.3	22.7
- Female	24.3	24.7
Retiring 20 years after the end of the reporting period		
- Male	23.8	24.3
- Female	26.0	26.4

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14. Pensions (continued)

The Group has agreed with the scheme trustees on 15 November 2017 that it will aim to eliminate the deficit in the Fund over the next 5 years. The Company and Trustees of the Fund wrote to the members in November 2017 asking for consent to reduce the rate of future pension payment increases. This consent was given which has resulted in a reduction in defined benefit obligation of £1,279,000 in 2018.

The plans are valued triennially by independent external actuaries. The last actuarial valuation was received dated November 2016. The next valuation is scheduled to be undertaken on both schemes as at 30 November 2019. At the date of signing of the financial statements the November 2019 triennial valuation is not yet available. The Group believes that the contribution rates established at the time of the last November 2016 triennial valuation, as increased following actuarial advice concerning the position at 31 December 2016, are sufficient to eliminate the deficit over the agreed period of 5 years. It is not anticipated that regular contributions, which are based on 15% of service costs, will increase further to a significant extent.

(b) Defined contribution schemes

The Group made contributions of £68,364 (2018: £77,997) in the year to third party defined contribution schemes. Contributions of £14,298 (2018: £12,923) were outstanding at the year end.

15. Operating Leases

The Group has the following total commitments under non-cancellable operating leases which expire:

	Land and Buildings <u>2019</u> £	Land and Buildings <u>2018</u> £
Within one year	248,285	248,285
Between 2 – 5 years	681,593	929,878
	<u>929,878</u>	<u>1,178,163</u>

16. Related party transactions

During the year The Chandris Foundation received dividends of £25,620 (2018: £25,481) from Chandris (England) Limited, its wholly owned subsidiary.

During the year, the group advanced numerous small interest free amounts to A.M. Chandris and M.D. Chandris. M.D. Chandris retired as a director on 31.03.2016. These amounts are in relation to ad-hoc expenses of individuals recognised in the trading entities of the group. The amounts are cleared down quarterly and are interest free. The balances outstanding at the year end, included in other debtors were £6,392 and £53,280 respectively.

17. Events subsequent to the reporting date

Subsequent to the year end, the Coronavirus pandemic (COVID-19) impacted the global economy. There are no anticipated changes in operation or anticipated decreases in activity. The RPI and discount rates are expected to be impacted by the pandemic but the effect on the assets and liabilities of the defined benefit pension scheme are not yet quantifiable.