

REGISTERED COMPANY NUMBER: 05663478 (England and Wales)
REGISTERED CHARITY NUMBER: 1114043

**Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31 August 2017 for
Charis Charitable Trust**

**Contents of the Financial Statements for the
Year Ended 31 August 2017**

	Page
Report of the Trustees	3 to 14
Independent Examiner's Report	15
Statement of Financial Activities	16
Balance Sheet	17
Notes to the Financial Statements	18 to 22

Charis Charitable Trust (Registered number: 05663478)

**Report of the Trustees
for the Year Ended 31 August 2017**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2017. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) (effective 1 January 2015).

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

05663478 (England and Wales)

Registered Charity number

1114043

Registered office

11 Church Lane
Madingley
Cambridge
CB23 8AF

Trustees

Miss J Knights

Trust of St Francis & St Seraphim - Trustee delegate – The Very Reverend Archpriest Maxim Nikolsky

Mrs C Kimmitt

Independent examiner

Bulldog Accounting Limited
Chartered Accountant
2 Field Lane
Letchworth Garden City
Hertfordshire SG6 3LE

Our Patron

His All Holiness Ecumenical Patriarch Bartholomew - Archbishop of Constantinople-New Rome

Our Advisor

Metropolitan Kallistos of Diokleia, Brother of the Monastery of St John the Theologian, Patmos, Greece

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is a charitable company limited by guarantee, and incorporated on 28 December 2005 and registered as a charity on 5 May 2006. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £10.

The principal object of the charity is to witness to the Unity of Creation in Christ, through the advancement of religion and education. There have been no changes in objectives since the last annual report.

Recruitment and appointment of new trustees

The existing trustees are responsible for the recruitment of new trustees. In selecting new trustees, we seek to identify people who take an interest in, or are involved in, the charity's projects and activities, and who are willing to volunteer to help in our broader work. Potential trustees are invited to attend trustees' meetings as observers and are given more details of the charity's aims and activities and, if all agree, they are then proposed as new trustees at the subsequent trustees' meeting. This process allows due consideration of the person's eligibility, personal competence, specialist knowledge and skills.

Induction and training of new trustees

Following appointment, new trustees are introduced to their new role and given copies of the trust deed and a guide to the policies and procedures adopted by our charity. A number of publications from the Charity Commission are also provided, including guidance on charities and public benefit and on the advancement of religion for the public benefit. This ensures that new trustees are aware of the scope of their responsibilities under the Charities Act. Initially, new trustees work with an existing trustee assisting on particular activities and projects run by the charity. After satisfactory feedback from existing trustees, they are then given the task of leading a particular activity or project, reporting progress at trustees' meetings.

**Report of the Trustees
for the Year Ended 31 August 2017**

Organisational structure

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as the Trustees.

The Trustees must consist of at least two members and meet twice a year. Every trustee must sign a declaration of willingness to act as a trustee of the charity before she or he is eligible to vote at any meeting of the Trustees.

Jeanne Knights is also a director of Charis Community Limited (CCL), a wholly owned dormant company, limited by guarantee, and Charis Non-Profit Company (Α.Φ.Μ.: 997136160 Δ.Ο.Υ.: ΚΩ.).

Trustee Programme Guardian

Miss Knights has been nominated to oversee programme development providing an operational link between Charity Board and the staff team. This enables maintaining tight control over the development of the programme during its early days. This is a hands-on role, providing capacity in the absence of paid island staff. As the staff structure develops, this role will revert to one of facilitation and oversight, supporting the development of the Island team.

Volunteers

Many volunteers give up their time to help the work of the charity and their participation makes an important contribution to its life and the achievement of its work. We are greatly indebted to these volunteers for their commitment and support.

Risk management

The Trustees have a duty to identify and review the risks to which the Charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

They have considered the key risks, particularly operations and finances and are satisfied that they have mitigated exposure to risk as much as is reasonable.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objects of the charity are set out in the charity's articles of incorporation as follows:

- The advancement of the Christian faith by witnessing the unity of creation in Christ and offering shelter, hospitality and spiritual refreshment to those who are in need of the same
- The advancement of education through the support of practical programmes
- The protection and preservation of spiritual, emotional and psychological health by the provision of counseling and supportive help to those in need thereof.

Our objectives are set to reflect our faith and educational aims. Each year our trustees review our objectives and activities to ensure they continue to reflect our aims. In carrying out this review the trustees have considered the Charity Commission's general guidance on public benefit and in particular its supplementary public guidance on the advancement of religion for the public benefit.

Our single aim remains to articulate a vision of a world in which our patterns of life, thought and prayer reflect holiness and wholeness in relation to ourselves, each other and the whole creation of which we are a part. We aim to be a focal point for inspiration and learning about sustainable living, lifestyle and livelihoods, through creating long-term programmes of active participation and learning.

The Charity has embarked on a significant project to build a series of Holy Gardens on the Island of Patmos in the Greek Aegean, which will play a role in creating and developing an outstanding and sustainable witness of education, learning, training and research that perceives the world as a gift to be received, respected and handed on to future generations.

Through this perception, to grow in our understanding that there is a way to live richer lives, to be more resourceful, to value the importance of nature and community, and to reconnect with the earth, delivering a deeper sense of belonging for the benefit of all humankind.

**Report of the Trustees
for the Year Ended 31 August 2017**

Objectives and aims, continued

Specifically, the Objectives of the Holy Gardens of Patmos Programme are:

1. To create gardens of outstanding and sustainable witness of education, providing a Learning Context that enables people to focus on traditional island husbandry and the facilities to develop a learning community focused around sustainable living, with growing awareness of the unity of the spiritual and material in daily life
2. To develop Learning Programmes in traditional island husbandry, sustainable lifestyle and livelihood development, and in the spiritual and theological underpinnings of how we perceive and relate to our earth.
3. To create and build a growing Learning Community that shares the vision of the Holy Gardens of Patmos, encourages a life-long involvement in the programme and a commitment to using the skills, knowledge and enthusiasm to live spiritually and sustainably and be advocates within their own community for the programme in encouraging sustainable lifestyles.
4. To develop and establish a governance framework and organisational capacity to achieve the vision of the Holy Gardens of Patmos project.

Significant activities

One of the main ways in which we are accomplishing our aim is by establishing Christian ecological centres and participating in projects involving ecological regeneration, thereby offering opportunities for learning, community building, reflection and healing across a wide range of disciplines. In achieving these aims we plan to both build specific educational facilities and develop curricula in the fields of biodiversity, sustainability, agriculture, resource management, spirituality, theology, ecology and island heritage. This will enable us to develop a wide range of opportunities for education and learning for many different audiences.

Public benefit

The charity is developing and carrying out a range of activities in pursuance of its charitable aims. The trustees consider that these activities, summarised below, currently provide benefit and will increasingly provide benefit both to those who participate directly and the wider community who benefit from the fruits of their labours.

Holy Gardens of Patmos Programme

Use of specialist expertise

In developing the programme we have begun developing partnerships with experts in the fields of sustainable agriculture and horticulture, sustainable livelihoods, architecture, landscape design, ecology, theology and sustainable development within the community more widely.

Agricultural Dimension

AA International Ltd (founded by the late Dr. W. Ian Robinson) has been working in agricultural development for over 45 years, including 38 years providing technical assistance in many forms in 70 countries throughout Africa, Middle East and Central Asia. Key interests are linked to the provision of timely and accurate agricultural/ situation assessments related to food security; sustainable (resilient both economically and environmentally) development programmes in marginal areas (including conflict zones); and support programmes to agro-pastoralists.

AA International's extensive history of field experience in Sub-Saharan Africa, Middle-east and Central Asia has provided them with in-depth understanding of rural issues and concerns in semi-arid areas. Providing regular technical inputs to projects and also directing and managing-to-completion integrated interventions, AA International has prepared and directed a wide range of studies, training courses, workshops and development programmes.

Following the sad death of Ian Robinson (d. 2017), the work of AA International is continuing under the leadership of his son, Jason, with whom we look forward to working.

**Report of the Trustees
for the Year Ended 31 August 2017**

OBJECTIVES AND ACTIVITIES

Sustainability Dimension

Steve Marriott, a consultant with extensive experience in sustainable development, has been working with the Director to inform the Development Plan.

Steve has worked in the sustainability and environmental field for over 27 years in both the urban and rural public sector, Steve has experience in a variety of policy environmental policy and strategic initiatives, having developed Environmental Policy in response to the Friends of the Earth Charter for the Environment in 1989, worked on the development of; the Recycling Plan in 1993, Environmental Strategy in 1995, Local Agenda 21 Strategy and Climate Change Strategy in 1999, and from 2004 to March 2014 was the Sustainable Communities/Sustainability Manager for Bristol City Council with a team of up to 12 people working on corporate policy development, climate change, sustainable communities, sustainable buildings and land-use, food and communication and education. Some of this work has been recognised on the international stage. In 2014 Bristol was awarded European Green Capital 2015 and the city is also one of the Rockefeller Foundation 100 Resilient Cities.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Significant headway in the first key objectives on Patmos has been made.

The Charity has committed to creating gardens of outstanding and sustainable witness of education and the facilities to develop a learning community focused around sustainable living, with growing awareness of the unity of the spiritual and material in daily life.

We are in the process of building the infrastructure at the Garden at the Holy of Holies and have outlined three phases of development:

- (i) the Charis Centre for Sustainable Living
- (ii) the Ecological Learning Centre
- (iii) the Eco-Lodges

As building work is completed and as we are able to finance staffing, we will be in a position to advance the second objective for future activities to offer learning programmes in sustainable living, including the spiritual and theological underpinnings of how we perceive and relate to our earth. Once these programmes are fully launched, we are confident that the charity will become self-sustaining.

At the same time we continue to advance the third objective, that of creating and building a growing Learning Community, albeit in a modest way at this stage.

Infrastructure

With the support of our Greek Legal Advisor, we have established a Greek non-profit company which will manage certain island activities. This step was taken owing to the lengthy time it is taking to establish our Greek Educational Foundation. A donor has pledged the funds to accomplish this and we are pursuing the further legal work entailed in our application, which we anticipate may take 9-12 months.

Our Patron

In November 2015, we welcomed our Patron, His All Holiness Ecumenical Patriarch Bartholomew, who gave an address, in London, for our supporters and friends.

In January 2018, His All Holiness took a further major step in supporting the work of the charity, aligning it more closely with His own agenda. His recent letter of recommendation follows:

Report of the Trustees
for the Year Ended 31 August 2017



It is with great joy that we hereby introduce Ms. Ioanna Knights, Director of the Charis Charitable Trust, who is now working tirelessly to establish a series of ecological programs entitled “The Holy Gardens” on the historic and picturesque island of Patmos, immediately beside the sacred site where the last book of the New Testament, the Revelation of John the Divine, was inspired and inscribed.

As you are aware, over the last three decades, the Ecumenical Patriarchate has long undertaken a pioneering role and responsibility in raising awareness about the crisis of climate change, the depletion of our planet’s resources, and the pollution of the natural environment. From the outset of our own patriarchal tenure, many high-level officials and dignitaries, political and corporate leaders, as well as religious heads and civil society representatives, have supported our environmental initiatives throughout the world. In this context, the first international, interfaith and interdisciplinary symposium was organized on the island of Patmos in 1995.

“The Holy Gardens on Patmos” seek to implement many of our ecological proposals by establishing an institute of education and embracing a project of learning known as “Living Light: Sustainability for Life” that seeks to create a deeper understanding of sustainable living as well as facilitate the tangible practice of sustainable livelihoods. The Holy Gardens will provide a creative, inspirational and nurturing environment for schools and organizations, institutions and individuals, to explore how to “live lightly” through theology, ecology, spirituality and sustainability. Activities will encourage and inform choices and lifestyles that are compassionate for all people and the whole planet, while its legacy will be to generate a tradition of sustainable living for our children. In this regard, the Holy Gardens will reach out to the international community in order to develop vital resources and employ contemporary technologies.

We write, therefore, to recommend Ms. Knights, who is a theologian, researcher and educator with training in management consultancy and agricultural experience. We write, furthermore, to endorse her effort to materialize the vision of the Holy Gardens of Patmos, for which we serve as Patron because we hope and believe that it can create a lasting change for residents of Patmos and for the future of our earth as the precious gift from our Creator. For this reason, we pray that you will lend your attention and support to Ms. Ioanna Knights and her colleagues in this deserving project.

At the Ecumenical Patriarchate, the 29th of January, 2018

Prayerfully yours,

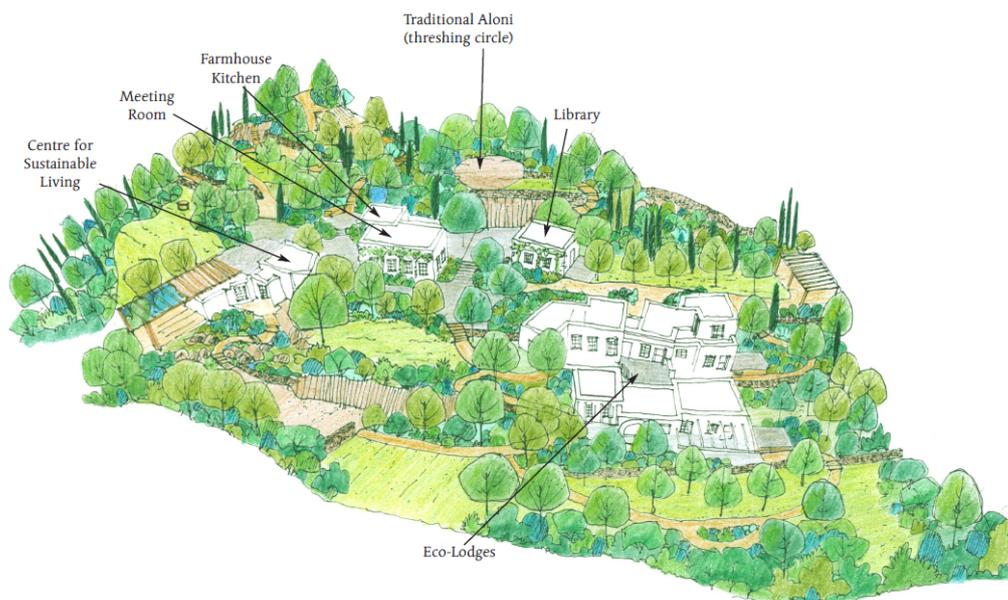
✠ BARTHOLOMEW
Archbishop of Constantinople-New Rome
and Ecumenical Patriarch

Report of the Trustees
for the Year Ended 31 August 2017

The Garden at the Holy of Holies

The original brief for the **Ecological Learning Centre** states: *The site at the 'Holy of Holies', Chora, Patmos is planned to be a place of welcome, healing and inspiration. The entire site is to be a 'living' witness to living in harmony with creation in the 21st century.*

The buildings, set within their landscape, are intended to witness to a "gentle architecture", a gentler, smaller scale architecture with its emphasis on natural systems – natural ventilation, natural lighting, natural treatment of wastes, natural heating and air-conditioning, integrated into a living, breathing ecosystem offering a sense of spaciousness for both the soul and the body. Once completed it will be a place for living, and for offering hospitality where guests can experience a living relationship between their faith & their environment (ecology). We hope that it may be a place that will inspire people on their journey through life.



Construction

Following receipt of permission from the Greek Ministry of Culture to develop the Garden at the Holy of Holies, largely in accordance with the plans submitted, technical papers were prepared and submitted and the construction permit has been granted. A Construction Project Manager, experienced in Sustainable Design and Construction, has been appointed to work with the architect to manage day-to-day construction affairs of the charity on Patmos and deliver the facility. A firm of experienced mechanical engineers has been appointed.

Aware of changes to construction laws in Chora, a decision was made by the trustees to complete the entire infrastructure (shell) at the Garden at the Holy of Holies as a first step (approximately 30-35% of the building cost). Completion of this phase of building will limit risk, should construction laws be amended. A construction loan, specifically for this high priority purpose, was offered by a trustee. After due consideration, the loan was gratefully accepted, to be repaid as construction funds for each building are raised. The trustees considered that risks of not proceeding until all construction funds were raised could put the project at considerable risk.

At the time of writing we can report excellent progress on the future small Christian Ecological Education Centre. The shells of the Centre for Sustainable Living, Conference Room, Farmhouse Kitchen, Library, and lower level of the Eco-lodges are complete and passed by the Inspector. The excavations and foundations for the upper level of the Eco-lodges are complete and passed by the Inspector.

The traditional and sustainable approaches to building have been and are well received, both by those working on construction and visitors alike. The walls are 50-65 cm thick with ecological insulation of 5cm (sourced from Greece); Built to be easily maintained over time, with roof beams of hardwood (chestnut), sustainably sourced from Greece; Natural Ventilation; Energy Sources: Solar – traditional style solar collector tiles¹ (natural to the eye) and other innovative approaches; Heat pump (as provision for Under-floor Cooling and Heating system: provision for year round comfort ; with Environmentally sensitive materials used throughout.

Built of local Patmian stone, the buildings blend well into the hillside, and this will be greatly enhanced with landscaping and planting.

¹ Photovoltaic cells, visible from the air, are not permitted in Chora owing to its Unesco World Heritage status

Report of the Trustees
for the Year Ended 31 August 2017



The Garden at the Holy of Holies
the Shells of the Buildings within the landscape – late 2017
with the Monastery of the Holies – the white buildings - behind

Learning Programme

In the course of the year we have made significant progress in development of our Learning programme.

Living Light: Sustainability for Life will provide a creative, inspirational and nourishing learning environment for people of all ages to meaningfully explore 'living lightly on the earth' through ecology, spirituality and sustainability. Our educational programmes will provide ways to engage with living more sustainably, create new local jobs, and build up traditional and new skills in land-based livelihoods and entrepreneurialism. Our overarching aim is to create a global community of people passionate about protecting the earth.

We are developing the core of our three learning programmes as follows:

- *Our Living Planet*: this will provide fun and safe exploration of any of the areas covered in Living Light, specifically geared for children aged 6 to 12 - igniting the interest of youngsters and encouraging their respect for the wonders of nature is a route to nurturing our future sustainability leaders.
- *Living Sustainably*: comprised of two strands (*Sustainable Lives* and *Land and Livelihoods*) *Living Sustainably* will form the core of all our educational work, delivering the exploration, skills and knowledge that are fundamental to becoming a more environmentally aware society. These programmes will include structured training such as apprenticeships, but also short and longer courses, covering specialised areas like xeriscape (dry) gardening and apiculture (bee keeping), and more basic sustainability practices including product awareness, recycling, composting, sustainable energy and reducing energy wastage, sustainability in the home and garden, environmental stewardship. It will be developed to be informative and appropriate to casual visitors, local people and more experienced course participants.
- *Our Living Presence*: will enable deeper exploration of our role as human beings on Earth, and reflection on how the patterns of our lives may help us face Earth's challenges today



By nurturing a learning community, we hope that people (children and adults) will develop a sense of ownership of the gardens and grow with the gardens. By working 'towards' our Living Sustainably education programme, we wish to be flexible and responsive to the ideas and needs generated by the community itself.

To become more environmentally aware, we need education. By addressing the needs of the individual, in turn, they will contribute to the building of an environmentally sensitive community that will create the momentum and drive necessary for change. Learning and sharing will not only provide the answer, it will create the leaders.

Our gardens (St John's Garden and the Garden at the Holy of Holies) will provide the fertile ground for this seed to germinate. The 'gardener's shed' will be the **Centre for Sustainable Living**, the 'hub' through which the learning programme will be 'dispersed'.

**Report of the Trustees
for the Year Ended 31 August 2017**

Ambassadors

By March 2017, preparations for the arrival of two special guests were complete. We welcomed to the island and to the project our two Skyrian horses, Apollonius and Icarus.

As one of the rarest and most critically endangered horse breeds in the world, with fewer than 300 breed-standard Skyrian horses remaining worldwide, they are becoming ambassadors for our programme, particularly with children, symbolising the importance of protecting our ecology and environment.

Their potential will also be explored in light farm labour and in accompanying visitors on walks around the island. They are stabled at the Garden at the Holy of Holies and expertly cared for by Marianna Skembe



Left: Our two horses, following their arrival on Patmos

Icarus on left, Apollonius on right, being groomed by Marianna Skembe.

During July 2017 we launched our 'Walking with Horses' programme, offering visitors the opportunity to join us to explore the old paths of Patmos, in the company of Apollonius and Icarus.

The walks have been well received. Below is an excerpt from one walker's feedback:

A thoroughly enjoyable experience! The guides themselves were very friendly and confident with the horses, which put us immediately at ease (particularly as we're not familiar with horses ourselves!).

....., it was a real privilege to take part in the horse walk. It proved to be a really authentic and personal experience. Being part of a small group was lovely and having the opportunity to meet locals and hear their stories, as well as taste local homemade food & drink and reach more remote parts of the island made for a truly magical evening. The horses were a great conversation point and provided the perfect platform for a really rich experience. I would definitely recommend this to others and would love to return and perhaps try one of the more challenging walks next time!

Περπατήστε με Άλογα
Walk with Horses

Ελάτε μαζί μας για να εξερευνήσετε τα παλιά μονοπάτια της Πάτμου, με παρέα 2 Σκυριανά άλογα.
Join us to explore the old paths of Patmos in the company of 2 Skyrian horses.

www.charis-patmos.org
T.: +30 6983 803 479 - email: walkwithhorses@charis-patmos.org

In April 2018 we began our school visits to the horses, which have been well received by both children and teachers alike. We look forward to developing these relationships and are working on our Learning Programme to be prepared to take the next steps.

The Forest Garden continues to grow and develop. In the course of the year no new planting was undertaken, however existing planting is being well maintained and we have a small harvest of olives, arbutus, maramba frappe, almonds and quince. The lavender trial also continues at this site.

**Report of the Trustees
for the Year Ended 31 August 2017**

St John's Garden

Extensive studies have already been undertaken on this land, including topography, hydrological features, vegetation and wildlife, land character and land use history. Soil samples have been analysed, a partial terrace repair programme begun, and a more detailed study undertaken to inform the detailed action plan for the site.

In the course of these studies we made an inventory of the trees in the Garden. There are over 380 trees, which, over the past 30 years, have been left untended. In January of this year we began a major tree renovation programme. The expert pruner on the island, an elderly man by the name of Jannis Michellis, spent 18 days pruning the trees throughout the site. Jannis had in fact cared for these very same trees all those years ago, and has been delighted to be back working on this land once again. The trees are now bursting forth with new life, and some of the almond trees already have beautiful nuts forming. There is truly a wonderful feeling in the garden, so very life-giving.

We now have a most accomplished photographer living on the island ready to archive our project's story. Jannis Paschalides. This was his first archival assignment for us..... the old life.... (man and trees) bringing again new life... 'Behold I make all things new'.

Following the pruning, there was a great deal of wood, and another local man, who has provided enormous amounts of support to the project, created storage places in the garden to preserve this precious wood for future use, and then undertook the major task of gathering it in. We are presently exploring ways in which the olive wood, from this place of special provenance, may be turned into useful objects as a possible source of income generation.



Then one of the Island's experts in tree grafting who lives in Chora, has grafted all of the pear trees on the site with high quality pears, and it would appear that these grafts have taken successfully.

Learning Community

The third objective is to create and build a growing learning community that shares the vision of the Holy Gardens of Patmos, encourages a life-long involvement in the programme and a commitment to using the skills, knowledge and enthusiasm to live spiritually and sustainably and be advocates within their own community for the programme and to encourage sustainable lifestyles. This has already begun in a modest way and will continue to develop as increasing numbers of people become aware of and involved in the realisation of the programme.

**Report of the Trustees
for the Year Ended 31 August 2017**

Community Engagement

On 9th December 2015, Metropolitan Kallistos of Diokleia and Miss Ioanna Knights, (known in the UK as Miss Jeanne Knights) on behalf of Charis, hosted forty guests for lunch in Skala, Patmos. The aim of the Holy Gardens of Patmos event was to bring together a representative group of people from Patmos who were likely to have an interest in learning about the project, and perhaps participating in and supporting it.

The vision for the Programme was shared, and a discussion initiated concerning the island's sustainability. The event was organised to encourage dialogue among participants. Bishop Kallistos set the tone, with an informal introduction, which was followed by a presentation about the programme, its evolution, aims and objectives, by Miss Ioanna Knights. Participants at each table shared their thoughts and ideas, and discussed together issues of interest and shared concern related to the island's sustainability.

In the days following the luncheon with members of the Island community, several further small meetings, including visits to the Gardens, took place. Members of the clergy, community representatives and other interested persons explored their questions, discovered shared aims, and discussed together the programme in greater depth.

We have since further developed this thinking through conducting a Sustainable Development Scoping Appraisal. This is helping us to clarify the potential interface between the vision of the Holy Gardens of Patmos programme and the vision of the island around sustainability issues. This will facilitate the integration into the programme of aspects that can impact education, sustainable development, and sustainable living, such that they may catalyse and contribute to the island's realisation of its vision for its sustainability.

Website

We launched our website in 2017 (www.charis-patmos.org), developed together with a Greek company with significant technical expertise. It has been favorably received, with over 3,000 requests for a newsletter to date.

Research

We were pleased to present our research on the tree disease that has been seriously affecting pine trees on the island to Abbot Kyrillos of the Monastery of St John the Theologian, together with the environmentally sensitive antidote that we sourced, and which he was delighted to accept. We hope and pray that, through his influence, it may have widespread benefit for all of the affected trees on the island.

Strategy and Funding

Work has progressed this year on the project's development plan and we now have now a first draft seven to ten-year plan; this will, of course, be a 'living' document which will develop as the project continues to unfold, and it is the next three years work for which we have developed the most detailed focus. The plan enables us to build our case for support, for purposes of funding.

We are advancing our funding programme through key packages, the first two of which are, *Centre for Sustainable Living* at the Garden at the Holy of Holies, and *Land & Livelihood Programme* focused at St John's Garden.

Owing to a significant exchange rate fluctuation following the UK's vote to leave the European Union, the charity's Line of Credit loan, repayable in euros, increased significantly during the course of the year.

Fundraising is being advanced both through a Major Donor Programme, through applications to Trusts and Foundations and with the increased support of our Patron we have recently begun The Patriarch's Circle of Founding Benefactors.

Financial review

Charis' principal activities are the provision of a learning context and learning programme, *Living Light: Sustainability for Life*.

Our aim is to contribute to the global conditions in which ecological regeneration and environmental sustainability flourish, by developing an outstanding programme of sustainability education, learning, training and research centred on Patmos Island, Greece. The project will create a deeper understanding and practice of sustainable living and will facilitate sustainable livelihoods, thereby addressing one of the biggest concerns facing humans, and all life on our planet, today – the depletion, through human action, of the precious resources of the earth.

**Report of the Trustees
for the Year Ended 31 August 2017**

The implementation of this programme is taking place in three phases:

- Phase One* – purchase and restoration of the land; construction design and permits
- Phase Two* – fundraising, construction, and launch of Living Light: Sustainability for Life
- Phase Three* – becoming self-sustaining

The year ended 31 August 2017 was part of the second phase of development. This plan assumes that the charity will incur deficits during phases One and Two, as the context is acquired and developed.

The charity has already begun modest income generation through its Learning Programme, in particular *Walking with Horses*, and has begun delivering its schools programme. The charity is steadily achieving its objectives and is now targeting the completion and opening of the Centre for Sustainable Living - Visitor Centre, when income generation can increase, albeit modestly. It is understood that Phase Three: becoming self-sustaining, can be fully achieved only once facilities permit the residential programme to be implemented, promoted and delivered.

We increased our expenditure on fundraising during the year to finance this increased expenditure and to invest in growing the income required for the remaining implementation of the phased plan.

Charis is currently developing a reserves policy to reflect the underlying risks facing the charity and to ensure that Charis has an appropriate level of reserves to safeguard its operations and services. Charis holds restricted funds in accordance with donors' requirements.

In financial terms, we are in a steady position, however the challenge our phased plan seeks to address grows with each passing day and we have continued to be ambitious in our resolve to address this problem, through our strategy for accepting interest free loans, backed by guarantors. This approach minimises risk.

FUTURE DEVELOPMENTS

Achieving our objectives will involve further developing and establishing our governance framework and organisational capacity.

We are very proud of the substantial progress that has been made towards our first key objectives on Patmos.

As outlined above in "significant activities", the Charity has committed to creating gardens of outstanding and sustainable witness of education and the facilities to develop a learning community focused around sustainable living, with growing awareness of the unity of the spiritual and material in daily life.

We are in the process of building the infrastructure at the Garden at the Holy of Holies as buildings and their environs are completed and staffing is financed, we will be in a position to advance the second objective for future activities to offer learning programmes in sustainable living, including the spiritual and theological underpinnings of how we perceive and relate to our earth.

Funding permitting, the first building and landscape to be completed at this site will be the Charis Centre for Sustainable Living, a focal point for inspiration and learning about sustainable living and lifestyles. It will serve as a year-round facility, hosting activities for both local island people and those who visit the Island. Activities will aim both to encourage and to inform lifestyle choices that care for ourselves, each other and the earth we share, while working to preserve and share traditional island skills, crafts and memories. The building will be an important focal point of the Garden at the Holy of Holies and the entire project.

While this building is of modest size, the centre also has a significant courtyard for gathering and activities. On the extensive adjoining land stands an old aloni (sacred grinding circle), which will be restored as part of this initiative, both to serve its original purpose in grinding the harvest, using small horses or donkeys, and also to serve as an outdoor gathering space for events and activities. In the schematic below, the area of the Centre for Sustainable Living is outlined in red.

Report of the Trustees
for the Year Ended 31 August 2017

Design - Plan of the building illustrates continuity of both internal and external space (Built Area: 123m²; Including gardens and restored aloni – approx. 1500m², set within *Garden at the Holy of Holies*: 4,350m²).



Centre for Sustainable Living

Facilities: Building has: Resource Room, Large Covered Courtyard, Seating areas, Work areas, Drinking Water Fountain, Large Sink (for garden, vegetable preparation, and crafts use), Toilet facilities (suitable for disabled access). Equipped with: Fan, Sound Loop and Signage (for visually impaired), Display Projector, Meeting Table

The centre will provide: a place for people to visit - with informative and inspiring, displays, a resource centre for equipment, an indoor and outdoor teaching space with disabled access, demonstration gardens, technology resources, a staff room.

Our aim is to make all of Charis's resources, **available and accessible to all.**

By offering a broad spectrum of **opportunities for learning** in 'Living Sustainably' to all elements of the community, people will grasp the urgent nature of this global issue and support, encourage and inspire each other. Patmos, as a relatively small island community, makes this feasible. If we are able to contribute to this level and degree of commitment, the island can become a national and global driving force and exemplar of what can be achieved when people come together to change attitudes.

Following completion of the Centre for Sustainable Living, our next construction objective is completion of the Study Centre (Conference room, Library and Farm-house Kitchen). This will permit us to expand the range of our opportunities for learning.

Our tree renovation programme at St John's Garden continues, and based on the advice of Abbot Kyrillos, we have grafted our olives with selected oil and eating varieties that grow particularly well on the island.

Once funding is in place we are ready to appoint a Farm Manager / Educator to advance the *Land & Livelihood Programme*. With this appointment, and once the related infrastructure work on the land is underway, we will be in a position to advance the second objective for future activities, to develop and offer learning programmes in traditional island husbandry, sustainable livelihood development.

Approved by order of the board of trustees on 30th May 2018 and signed on its behalf by:


Trustee

Charis Charitable Trust
Independent Examiners Report to the Trustees
For the year ended 31 August 2017

I report to the trustees on my examination of the accounts of the charitable company for the year ended 31 August 2017.

Responsibilities and basis of report

As the charity Trustees, who are also directors for the purposes of company law, are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiners statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Rachel Balchin
ACA
Bulldog Accounting Limited
2 Field Lane
Letchworth Garden City
Hertfordshire
SG6 3LE

21 May 2018

**Statement of Financial Activities
for the Year Ended 31 August 2017**

	Notes	Unrestricted fund £	Restricted funds £	Permanent fund £	31.8.17 Total funds £	31.8.16 Total funds £
INCOMING RESOURCES						
Incoming resources from generated funds						
Donations and Legacies	2	12,084	12,918	40,000	65,002	30,121
Charitable Activities						
Learning Programme		485	-	-	485	-
Investment income		5	-	-	5	2
Total incoming resources		<u>12,574</u>	<u>12,918</u>	<u>40,000</u>	<u>65,492</u>	<u>30,123</u>
RESOURCES EXPENDED						
Charitable activities						
Learning Context		(1,182)	-	-	(1,182)	(4,436)
Learning Programme		(8,404)	(1,292)	-	(9,696)	(14,835)
Learning Community		(1,598)	-	-	(1,598)	(8,458)
Organisation Infrastructure		(4,510)	(347)	-	(4,857)	(556)
Governance costs		-	-	-	-	(4,671)
Exchange Rate Difference		(7,268)	-	-	(7,268)	--
Total resources expended		<u>(22,962)</u>	<u>(1,639)</u>	<u>-</u>	<u>(24,601)</u>	<u>(32,956)</u>
NET INCOMING/(OUTGOING) RESOURCES						
		<u>(10,388)</u>	<u>11,279</u>	<u>40,000</u>	<u>40,891</u>	<u>(2,833)</u>
RECONCILIATION OF FUNDS						
Total funds brought forward		<u>(26,592)</u>	<u>-</u>	<u>102,276</u>	<u>76,134</u>	<u>78,967</u>
TOTAL FUNDS CARRIED FORWARD		<u>(36,980)</u>	<u>11,279</u>	<u>142,726</u>	<u>117,025</u>	<u>76,134</u>

The notes form part of these financial statements

Charis Charitable Trust (Registered number: 05663478)

Statement of Financial Position
As at 31 August 2017

	Notes	31/08/2017	31/08/2016
		£	£
Fixed assets			
Tangible assets	6	725,680	476,586
		725,680	476,586
Current assets			
Debtors	7	-	1,258
Cash at bank and in hand		5,022	4,057
		5,022	5,315
Creditors: amounts falling due within one year	8	(11,769)	(9,600)
Net current assets		(6,747)	(4,285)
Total assets less current liabilities		718,933	472,301
Creditors: amounts falling due after more than one year	9	(601,908)	(396,167)
Net assets		117,025	76,134
The funds of the charity			
Endowment funds	10	142,726	102,726
Restricted income funds	10	11,279	-
Unrestricted income funds	10	(36,980)	(26,592)
Total funds		117,025	76,134

For the year ended 31 August 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476,
- The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts. These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statement were approved and authorised for issue by the Board and signed on its behalf by:


.....
Miss Joanna Knights Trustee

Charis Charitable Trust
Notes to the Financial Statements
for the Year Ended 31 August 2017

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, and in accordance with 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 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and the Companies Act.

Charis Charitable Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Going Concern

The trustees consider the charity a going concern. The trustees are monitoring the charity's spending and cash flow regularly to ensure that its liabilities are met as and when they fall due. Loan repayments continue to be met according to their agreed schedule.

Considerable effort is being focused on development plans which will produce future unrestricted income, and a number of bids are being submitted to trusts and organisations and individuals to support the charity during this development stage of the project. For these reasons, the Board considers it appropriate to prepare these financial statements on an ongoing concern basis.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Tangible fixed assets, other than freehold land and the construction works described below, are stated at cost or valuation less depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives.

Plant and Machinery	10% per annum on cost
Other Assets	20% straight line

The ecological gardens at Patmos are under construction following a significant development plan and make up the entire Permanent Fund. The gardens are central to the sustainability of the Charity and are being developed and managed with principles congruent with that of a Permanently Endowed Asset.

This asset will be professionally valued once construction is complete and then at least every 25 years thereafter. The Trustees have carried out a cost benefit assessment and believe that valuing more regularly is not in the best interest of the Charity and since they are treating it as Endowed, do not consider it to have a true open market value. Until then, all costs associated with the progress of building projects will be capitalised.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Charis Charitable Trust
Notes to the Financial Statements - continued
for the Year Ended 31 August 2017

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

2. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	31.8.17 £	31.8.16 £
Donations received	12,084	12,918	40,000	65,002	30,121
	12,084	12,918	40,000	65,002	30,121

3. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting):

	31.8.17 £	31.8.16 £
Depreciation - owned assets	1,986	347

4. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2017 nor for the year ended 31 August 2016.

Trustees' expenses

In fulfilling her role as Programme Guardian (equivalent to CEO), Miss Knights did not receive any personal benefit. In undertaking these responsibilities she incurs expenses travelling to Patmos; her travel costs are kept to a bare minimum and are met by the charity as it is crucial that she oversees activities. This is in accordance with the charity's governing documents.

The charity's UK office is based at the home of Miss Knights, who does not receive compensation for the overheads incurred in this respect as she considers both this and her time to be a donation.

At the balance sheet date the Charity owed a Trustee, Miss Knights, sums in relation to Construction and Development loans. Miss Knights is not paid any interest or any other form of return for the funds she has invested:

Construction Loan:

Garden at the Holy of Holies- £250,800. This loan is interest free and is liable to repayment as construction funds permit. It has arisen as a result of the trustee's decision to proceed with construction to minimise risks to the project owing to changing laws related to Chora, Patmos.

Development Loans: St John's Garden and Learning Programme

St John's Garden - £26,150

Learning Programme - £13,900.

Charis Charitable Trust
Notes to the Financial Statements - continued
for the Year Ended 31 August 2017

These loans are interest free and are liable to repayment as their respective funds permit and not within the next twelve months. They have arisen as a result of investment incurred in carrying out charitable activities yet to be reimbursed due to cash flow.

Total loans: £297,211 [2016: £95,234].

This year Trustees made donations of £15,000 for furtherance of the building projects and acquisition, transfer and settlement of our Skyrian horses.

5. COMPARATIVE FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted Funds	Endowment Funds	2016
	£	£	£
Income and endowments from:			
Donations and legacies	10,121	20,000	30,121
Investments	2	-	2
Total	10,123	20,000	30,123
Expenditure on:			
Charitable activities	(27,928)	(5,028)	(32,956)
Total	(27,928)	(5,028)	(32,956)
Transfers between funds	(1,118)	1,118	-
Net movement in funds	(18,923)	16,090	(2,833)
Reconciliation of funds			
Total funds brought forward	(7,669)	86,636	78,967
Total funds carried forward	(26,592)	102,726	76,134

6. TANGIBLE FIXED ASSETS

Cost or valuation	Land & Buildings	Plant & Machinery	Total
	£	£	£
At 1 September 2016	410,147	66,785	476,932
Additions	237,816	12,918	250,734
At 31 August 2017	647,963	79,703	727,666
Depreciation			
At 1 September 2016	-	347	347
Charge for year	-	1,639	1,639
At 31 August 2017	-	1,986	1,986
Net book values			
At 31 August 2017	647,963	77,717	725,680
At 31 August 2016	410,147	66,438	476,585

Charis Charitable Trust
Notes to the Financial Statements - continued
for the Year Ended 31 August 2017

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.17	31.8.16
	£	£
Trade debtors	- -	<u>1,258</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.17	31.8.16
	£	£
Accruals and deferred income	3,369	1,200
Other creditors	<u>8,400</u>	<u>8,400</u>
	<u>11,769</u>	<u>9,660</u>

9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.8.17	31.8.16
	£	£
Charitable Trust	184,700	201,500
Loan from key stakeholder	119,997	99,435
Development loan from Trustee	40,050	-
Construction loan from Trustee	257,161	95,234
	<u>601,908</u>	<u>396,169</u>

When acquiring the Garden at the Holy of Holies at Patmos, a Charitable Trust (who has asked to remain anonymous) advanced funds interest free to avoid the need for a traditional mortgage.

The loan from a key stakeholder represents an advance of 130,000 Euros to assist with the acquisition and development of the Gardens on Patmos, and is interest free.

A trustee has personally guaranteed to cover the Construction loan and Charitable Trust loan should the charity be unable to meet its obligations.

10. MOVEMENT IN FUNDS

	Balance at 1.9.16	Incoming Resource	Outgoing Resources	Transfers	Balance at 31.8.17
	£	£	£	£	£
Unrestricted Funds					
General Fund	(26,592)	12,574	(22,962)	-	(36,980)
Restricted Funds	-	12,918	(1,639)	-	11,279
Endowment Funds					
Gardens at Patmos	102,726	40,000	-	-	142,726
Total Funds	76,134	65,002	24,601	-	117,025

Charis Charitable Trust
Notes to the Financial Statements - continued
for the Year Ended 31 August 2017

Previous year

	Balance at 1.9.15 £	Incoming Resource £	Outgoing Resources £	Transfers £	Balance at 31.8.16 £
Unrestricted Funds					
General Fund	(7,669)	10,123	(27,928)	(1,118)	(26,592)
Restricted Funds	-	-	-	-	-
Endowment Funds					
Gardens at Patmos	86,636	20,000	(5,028)	1,118	102,726
Total Funds	78,967	30,123	32,956	-	76,134

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed £	Net current assets / (liabilities) £	Creditors > one year £	Net Assets £
Unrestricted funds				
<i>General</i>				
Unrestricted Fund	37,620	593	(232,159)	(193,946)
Restricted funds				
Restricted Funds	76,677	-	(65,052)	11,625
Endowment funds				
<i>Permanent</i>				
Permanent Fund	611,383	(7,340)	(304,697)	299,346
	725,680	(6,747)	(601,908)	117,025

Previous year

	Tangible fixed £	Net current assets / (liabilities) £	Creditors > one year £	Net Assets £
Unrestricted funds				
<i>General</i>				
Unrestricted Fund	1,386	2,205	(30,182)	(26,591)
Restricted funds				
Restricted Funds	65,052	-	(65,052)	-
Endowment funds				
<i>Permanent</i>				
Permanent Fund	410,148	(6,490)	(300,933)	102,725
	476,586	(4,285)	(396,167)	76,134