

THE CHANDRIS FOUNDATION

**TRUSTEE'S REPORT AND CONSOLIDATED
FINANCIAL STATEMENTS**

31st DECEMBER 2020

The Chandris Foundation

Index

	Page
Trustee and administrative information	1
Trustee's report	2 - 5
Statement of trustee's responsibilities	6
Auditor's report	7 - 9
Consolidated statement of financial activities	10
Non-consolidated statement of financial activities	11
Group and charity statement of financial position	12
Group and charity statement of cash flows	13
Notes to the financial statements	14 - 27

The Chandris Foundation

Trustee and Administrative Information

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

The Chandris Foundation

Trustee's Report for the year ended 31st December 2020

The trustee submits the report and the consolidated financial statements of The Chandris Foundation for the year ended 31st December 2020. 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 intermediary. 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 4 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.

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 trustee regularly monitors 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 31st December 2020 (Continued)

Risk and Uncertainty	Strategy and Mitigation
Coronavirus (COVID-19) Pandemic: There is a risk that the impact of the COVID pandemic will have an effect on the Group's ability to operate and generate income due to its effect on the global economy.	The Group has been operating for the past year in the COVID-19 pandemic and there have been no identified issues in relation to the Group or charity's ability to operate.
Defined benefit pension scheme: There is a risk that the group may not be able to fulfil its pension liabilities given the size of the deficit at 31 December 2020.	The group is engaged with a Pensions Regulator and there is an approved plan in order to repay the pension liability. The largest part of the pension liability being the fund has moved favourably post year end to 30 June 2021 from £3,023,000 to £1,567,000.

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 trustee acknowledges 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 trustee has 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 4.

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.

No incoming resources were received from Chandris England Limited in 2020 due to the level of distributable reserves, however the Charity continued to make donations of £25,620.

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

Subsequent to the year end, the charity made donations totalling £12,000 (unaudited) in line with the objectives and activities for public benefit.

The Chandris Foundation

Trustee's Report for the year ended 31st December 2020 (Continued)

Financial Review

The Group reports consolidated income of £2,727,799 (2019: £2,913,723) and total expenditure of £2,377,075 (2019: £2,536,206) as set out on pages 10 to 27. The Foundation reports income of £302 (2019: £25,620) and total expenditure of £36,900 (2019: £29,451).

The Foundation mainly derives its income from Chandris (England) Limited that comprises of dividends however for the year under review no dividend income was received by the Foundation (2019 - £25,620). Chandris (England) Limited, company number 00608546, incorporated in the UK, is a holding and coordinating 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 2020 of £285,684 (2019: £406,545) representing turnover of £2,720,468 (2019: £2,904,892) and total expenditure of £2,340,173 (2019: £2,506,755) and net liabilities at 31st December 2020 of £1,323,622 (2019: £442,906). 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 £36,900 (2019: £29,450).

Reserves Policy

The Chandris Foundation maintains reserves at the entity level which the trustee deems 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 £182,757 (2019: £219,355) excluding investments.

There is no requirement for the charity to pay the pension liability on behalf of The Chandris England group. The Chandris England group is a going concern and is reducing its own pension deficit yearly through an approved plan with the pensions regulator. Therefore, the reserves policy is in relation to the charity's ability to operate. The current reserves of £182,757 will allow the charity to make donations at its current level for at least the next 5 years.

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 £7,407 and £70,623. 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 trustee and subsidiary directors will aim to clear down these loans to nil by 31st December 2021.

Brexit

As a result of Brexit, the subsidiary directors have taken action to address the risk in regards to the P & I insurance previously handled within Chandris Insurance Services (UK) Limited. The directors are taking action to resolve this impact by tendering for a broker to handle the P & I insurance which they anticipate to appoint shortly to handle EU regulated overseas business. To date, there has been no impact on the Group's ability to operate. The trustee does not anticipate any changes to the Group's operations as a result of the appointment of the broker.

The Chandris Foundation

Trustee's Report for the year ended 31st December 2020 (Continued)

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.

Post balance sheet events

For the part of the defined benefit scheme referred to as the fund, the Group has obtained an update to the FRS 102 net liability at 30 June 2021 from their pension actuary, showing this has approximately halved from £3,023,000 to £1,567,000. This is a result of changes in the financial markets which have led to both improved asset values and higher discount rates for the liabilities. The trustee believes that this represents a more current valuation of the pension net liability at the date of approval of financial statements.

The trustee's report was approved by the trustee on 30/9/21



Chandris Foundation Trustees Limited
R. HANKS - Director

The Chandris Foundation

Statement of Trustee's Responsibilities

The trustee is responsible for preparing the Trustee's Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustee 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 Trustee 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 Trustee is 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 Trustee is 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 on the financial statements

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 2020 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.

We have audited the financial statements of The Chandris Foundation ("the Parent Charity") and its subsidiaries ("the Group") for the year ended 31 December 2020 which comprise the consolidated statement of financial activities, the non-consolidated statement of financial activities, the statement of financial position, the statement of cashflows 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).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain 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.

Conclusions related to going concern

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

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

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

Other information

The Trustees are responsible for the other information. 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. 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.

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

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 requires 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 Trustees' responsibilities statement, 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 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.

Extent to which the audit was capable of detecting irregularities, including fraud

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

Based on our understanding of the entity, we considered those laws and regulations that have a direct impact on the preparation of the financial statements.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to revenue, management bias in accounting estimates and the adoption of inappropriate accounting policies.

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

The audit procedures performed by the engagement team included:

- discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- discussion amongst the engagement team how and where fraud might occur in the financial statements and any potential indicators of fraud. Furthermore, we communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or noncompliance with laws and regulations throughout the audit;
- identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- challenging assumptions and judgements made by management in their critical accounting estimates.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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.

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.

DocuSigned by:

Cassie Forman-Kotsapa

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Cassie Forman-Kotsapa
BDO LLP, statutory auditor
London, UK

30 September 2021

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 2020**

	<u>Note</u>	<u>2020</u> £	<u>Unrestricted Funds</u> <u>As restated</u> <u>2019</u> £
Income and endowments from:			
Other trading activities	1(c)	2,720,468	2,904,892
Investment Income	3	3,331	5,831
Other income		4,000	3,000
Total Income		<u>2,727,799</u>	<u>2,913,723</u>
Expenditure on:			
Charitable activities:			
Donations paid	4	(36,900)	(29,450)
Governance costs		-	-
Other trading activities:			
Administrative expenses		(2,320,175)	(2,488,756)
Finance costs of pension scheme		(20,000)	(18,000)
Total expenditure	5	<u>(2,377,075)</u>	<u>(2,536,206)</u>
United Kingdom corporation tax	8	(8,963)	(1,314)
Deferred taxation	8	(90,811)	(836)
Total Taxation on trading activities		(99,774)	(2,150)
Net income for the year before gains on investments		250,950	375,367
Net (losses)/gains on investments	9	(1,867)	2,347
Net income		249,083	377,714
Other recognised (loss)/gain:			
Actuarial loss on pension scheme	15	(1,440,000)	(318,000)
Deferred tax on actuarial loss		273,600	(33,630)
Net movement in funds		(917,317)	26,084
Reconciliation of Funds			
Total funds brought forward (as restated)		(223,551)	(249,635)
Total funds carried forward		<u>(1,140,868)</u>	<u>(223,551)</u>

The notes on pages 14 to 27 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 2020**

		<u>Unrestricted Funds</u>	
	<u>Note</u>	<u>2020</u> £	<u>2019</u> £
Income and endowments from:			
Dividends from subsidiary company		-	25,620
interest income		<u>302</u>	<u>-</u>
		<u>302</u>	<u>25,620</u>
Expenditure on:			
Charitable activities:			
Donations paid	4	(36,900)	(29,450)
Raising funds:			
Other expenditure		<u>-</u>	<u>(1)</u>
Total expenditure		<u>(36,900)</u>	<u>(29,451)</u>
Net expenditure for the year		<u>(36,598)</u>	<u>(3,831)</u>

The notes on pages 14 to 27 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 2020

	Note	Group		Charity	
		2020	As restated 2019	2020	2019
		£	£	£	£
Fixed Assets					
Tangible fixed assets	10	36,684	38,089	-	-
Investments	11	16,664	18,530	500,000	500,000
		53,348	56,619	500,000	500,000
Current Assets					
Debtors, falling due after one year	12	686,642	499,513	-	-
Debtors, falling due within one year	12	1,183,896	828,208	-	-
Cash at bank and in hand		684,920	1,236,203	182,757	219,355
		1,868,816	2,064,411	182,757	219,355
Creditors, amounts falling due within one year	13	(474,674)	(531,094)	-	-
Net Current Assets		1,394,142	1,533,317	182,757	219,355
Total Assets less Current Liabilities		2,134,132	2,089,449	682,757	719,355
Net Assets excluding Pension Liability		2,134,132	2,089,449	682,757	719,355
Pension liability	15	(3,275,000)	(2,313,000)	-	-
Net (Liabilities)/Assets including Pension liability		(1,140,868)	(223,551)	682,757	719,355
Funds					
Unrestricted funds excluding pension liability		1,515,343	1,653,448	682,757	719,355
Pension liability, net of deferred tax		(2,656,210)	(1,876,999)	-	-
Total charity funds		(1,140,868)	(223,551)	682,757	719,355

These financial statements were approved by the Trustee on

Chandris Foundation Trustees Limited



A.M. CHANDRIS
Director

30/9/21



D.J. CHANDRIS
Director

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30/9/21



R.S. HANKS
Director

30/9/21

**The Chandris Foundation
and its Subsidiary Companies**

**Statement of cash flows
For the year ended 31st December 2020**

	<u>Group</u>		<u>Charity</u>	
	2020	2019	2020	2019
	£	£	£	£
Cash flows from operating activities				
Net income for the year	249,083	377,714	(36,598)	(3,831)
Adjustments for:				
Tax on ordinary activities	99,774	2,150	-	-
Loss/(gain) on investments	1,867	(2,347)	-	-
Depreciation of tangible fixed assets	11,627	13,539	-	-
Cost of defined benefit pension scheme	117,000	96,000	-	-
Contributions to defined benefit pension scheme	(595,000)	(596,000)	-	-
(Increase)/decrease/in debtors	(360,028)	297,835	-	-
Decrease in creditors	(68,987)	(74,770)	-	-
Net cash (used in)/from operating activities	(544,664)	114,121	(36,598)	(3,831)
Corporation tax received/(paid)	3,603	(35,780)	-	-
Cash (used in)/from operating activities	(541,061)	78,341	(36,598)	(3,831)
Cash flows from investing activities				
Purchase of tangible fixed assets	(10,222)	(13,092)	-	-
Cash used in investing activities	(10,222)	(13,092)	-	-
Change in cash and cash equivalents in the year	(551,283)	65,249	(36,598)	(3,831)
Cash and cash equivalents at 1 January	1,236,203	1,170,954	219,355	223,186
Cash and Cash equivalents at 31 December	684,920	1,236,203	182,757	219,355

**The Chandris Foundation
and its Subsidiary Companies**

**Notes to the Consolidated Financial Statements
For the year ended 31st December 2020**

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 2019)". 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 liability position due to the unfavourable movement in the defined benefit pension scheme, which is non-cash in nature. 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 minimal effects on primary customers and its profitability. The implications of Brexit which will result in the appointment of a broker will, in the view of the trustee, not impact the operations of the Group.

(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 11 for the year ended 31st December 2020.

(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 2020**

(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 2020**

(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 2020**

(o) Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing the financial statements, management is required to mark the estimates and assumptions which affect reported income, expenses, assets and liabilities.

The trustee considers the key judgements and estimates to be in relation to provisions for doubtful debts, prepayments and accruals, and the residual values of fixed assets, but does not consider that they are likely to have a material impact on the results.

The key assumptions made in determining the value of the pension scheme liability are disclosed in note 15.

2. Prior year adjustment

In the year ended 31 December 2017, the scheme incorrectly accounted for a reduction in the pension scheme increases, accounting for them a year earlier than it should have done. For the year ended 31 December 2018, the scheme accounted for the reduction again, double counting this effect. This was not identified until the actuarial triennial valuation in November 2019 was published in February 2021. Therefore the prior period figures for the pension scheme liability were understated by £1.279m, deferred tax asset understated by £243,000 and opening reserves overstated by £1.036m.

Therefore, the prior year figures have been adjusted to account for the increase in the pension liability from £1.034m to £2.313m, increase in deferred tax asset from £193,001 to £436,001 and the total funds brought forward figures revised from £812,449 to £(223,551).

**The Chandris Foundation
and its Subsidiary Companies**

**Notes to the Consolidated Financial Statements
For the year ended 31st December 2020**

3. Investment Income

	<u>2020</u>	<u>2019</u>
	£	£
Fixed asset investments (dividends)	405	398
Interest receivable	<u>2,926</u>	<u>5,433</u>
	<u>3,331</u>	<u>5,831</u>

4. Donations

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

Greek Charities

	£
Greek Cathedral St Sophia	
Medasset	1,000
Museum of Cycladic Art	-
	<u>5,000</u>
	<u>6,000</u>

Children's Charities

Brainwave	500
Carers Trust	500
Child Brain Injury	500
Children's Burns Trust	500
Crackerjack Children's Trust	500
Dame Vera Lynn Children's Trust	500
Great Ormond Street Hospital Charity	500
Noah's Ark Children's Hospice	500
Queen Elizabeth Hospital	500
React	500
Royal Brompton & Harefield Hospital	500
Save the Children	500
Tiny Tickers	500
	<u>5,000</u>
	<u>6,500</u>

Cancer Relief Charities

Breast Cancer Haven	500
Breast Cancer Now	500
Blood Cancer UK	500
Clic Sargent	700
Lennox Children's Cancer Fund	1,000
Look Good Feel Better Charity	500
Marie Curie	500
Prostate Cancer Research Centre	500
Royal Marsden Cancer Charity	500
Royal United Hospital	500
Strongbones Children's Charitable Trust	500
Target Ovarian Cancer	500
Teenage Cancer Trust	500
Wessex Cancer Trust	500
	<u>7,700</u>

**The Chandris Foundation
and its Subsidiary Companies**

**Notes to the Consolidated Financial Statements
For the year ended 31st December 2020**

4. Donations (continued)

Other Charities

	£
Asthma UK	500
Brain Research UK	500
Cerebral Palsy Plus	500
Crisis	500
Diabetes UK	500
Epilepsy Research UK	500
Friends of the Elderly	500
Grand Bahama Disaster Relief	5,000
Guide Dogs for the Blind	500
Hospice UK	500
Medicines Sans Frontiers	500
Meningitis Now	500
Mercy Ships	500
Queen Elizabeth Foundation	500
RNIB	500
Royal British Legion	500
Seafarers UK	500
Shine	500
Spinal Muscular Atrophy UK	500
Stillbirth & Neonatal Death Charity	500
St John's Hospice	500
Stroke Association	700
Sunny Days	500
Support Dogs	500

16,700

Total Donations

36,900

5. Total Expenditure

	<u>Charitable activities</u> £	<u>Other trading activities</u> £	<u>Total 2020</u> £	<u>Total 2019</u> £
Donations	36,900	-	36,900	29,450
Audit and accountancy	-	49,500	49,500	52,691
Bank charges	-	5,149	5,149	4,363
Computer costs	-	60,888	60,888	48,389
Depreciation	-	11,627	11,627	13,539
Insurance	-	22,443	22,443	15,767
Legal and professional	-	156,405	156,405	111,011
Postage, telephone and cables	-	81,312	81,312	77,420
Printing and stationery	-	1,377	1,377	4,978
Publications	-	12,743	12,743	12,870
Rent, rates and services	-	437,342	437,342	432,207
Repairs and renewals	-	2,462	2,462	3,490
Staff costs	-	1,434,697	1,434,697	1,618,625
Subscriptions	-	4,955	4,955	5,178
Sundries	-	33,532	33,532	40,798
Travel and entertaining	-	5,743	5,743	32,658
Bad debts	-	-	-	23,772
Finance cost of pension scheme	-	20,000	20,000	18,000
	<u>36,900</u>	<u>2,340,175</u>	<u>2,377,075</u>	<u>2,536,206</u>

**The Chandris Foundation
and its Subsidiary Companies**

**Notes to the Consolidated Financial Statements
For the year ended 31st December 2020**

6. Trustee's Expenses

A total of £nil (2019: £nil) was reimbursed to the trustee in the year. 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.

7. 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 £1,434,697 (2019: £1,618,625) 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>2020</u>	<u>2019</u>
	£	£
Wages and salaries	659,895	817,128
Social security costs	107,950	108,375
Pension costs	656,472	663,852
Other staff costs	10,380	29,270
	<u>1,434,697</u>	<u>1,618,625</u>

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

	<u>2020</u>	<u>2019</u>
Managerial	4	4
Operations	2	2
Administration	7	7
Secretarial	2	2
	<u>15</u>	<u>15</u>

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

	<u>2020</u>	<u>2019</u>
Less than £60,000	11	11
£60,000 - £70,000	1	1
£70,000 - £90,000	1	1
£90,000 - £120,000	-	-
£120,000 - £140,000	1	1
£140,000 - £150,000	-	-
£150,000 - £200,000	1	1
£250,000 - £280,000	-	-
	<u>15</u>	<u>15</u>

**The Chandris Foundation
and its Subsidiary Companies**

**Notes to the Consolidated Financial Statements
For the year ended 31st December 2020**

7. Employees' Remuneration (continued)

Of the employees paid in excess of £60,000 (2019: £60,000) 1 (2019: 1) was accruing benefits under defined benefit pension schemes. The Group also made contributions of £9,075 (2019: £8,644) 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 £330,053 (2019: £334,022). The number of directors' accruing benefits under defined benefit schemes amounted to 1 (2019: 1). The group also made contributions of £17,584 (2019: £17,871) towards defined contribution schemes in respect of 2 (2019: 2) directors of the subsidiary companies. The directors of Chandris Foundation Trustees Limited, A.M Chandris and D.J. Chandris, received remuneration of £54,608 and £59,624 respectively. R.S. Hanks, director of Chandris Foundation Trustees Limited, received remuneration of £70,539 in the year.

8. 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>2020</u> £	<u>2019</u> £
United Kingdom corporation tax	(8,963)	1,314
Deferred tax	<u>(90,811)</u>	<u>836</u>
	<u>(99,774)</u>	<u>2,150</u>

The deferred tax charge for the year comprises:

	<u>2020</u> £	<u>2019</u> £
Movement on the deferred tax liability	-	(114)
Movement in deferred tax in respect of the pension liability	<u>(90,811)</u>	<u>950</u>
	<u>(90,811)</u>	<u>836</u>

On 3 March 2021, it was announced that the UK corporation tax rate would increase to 25% from 1 April 2023, which was enacted in May 2021. The deferred tax balance included in these financial statements has been calculated with reference to the rate of 19%, being the prevailing rate as at 31 December 2020.

9. Net Gains on Investments

	<u>2020</u> £	<u>2019</u> £
Revaluation of listed investments	<u>(1,867)</u>	<u>2,347</u>

**The Chandris Foundation
and its Subsidiary Companies**

**Notes to the Consolidated Financial Statements
For the year ended 31st December 2020**

10. 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 2020	75,989	90,917	101,263	268,169
Additions	-	-	10,222	10,222
At 31st December 2020	<u>75,989</u>	<u>90,917</u>	<u>111,485</u>	<u>278,391</u>
Depreciation				
At 1st January 2020	75,989	63,589	90,502	230,080
Charge for the year	-	2,282	9,345	11,627
At 31st December 2020	<u>75,989</u>	<u>65,871</u>	<u>99,847</u>	<u>241,707</u>
Net book value				
At 31st December 2020	<u>-</u>	<u>25,046</u>	<u>11,638</u>	<u>36,684</u>
At 31st December 2019	<u>-</u>	<u>27,328</u>	<u>10,761</u>	<u>38,089</u>

The Charity has no tangible fixed assets.

11. Investments

	<u>Group</u>		<u>Charity</u>	
	<u>2020</u> £	<u>2019</u> £	<u>2020</u> £	<u>2019</u> £
Subsidiary companies	-	-	500,000	500,000
Listed investments	<u>16,664</u>	<u>18,530</u>	<u>-</u>	<u>-</u>
	<u>16,664</u>	<u>18,530</u>	<u>500,000</u>	<u>500,000</u>

All investments are held primarily to provide an investment return. The movement in the group investment relates wholly to the investment revaluation loss of £1,867 (2019: £2,347 gain). The market value of listed investments at the year-end was £16,664 (2019: £18,530). The change in valuation is recognised as a gain/(loss) on investments in the Statement of Financial Activities.

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

	<u>2020</u> £	<u>2019</u> £
Chandris (England) Limited	<u>500,000</u>	<u>500,000</u>

**The Chandris Foundation
and its Subsidiary Companies**

**Notes to the Consolidated Financial Statements
For the year ended 31st December 2020**

11. 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 2020 of £285,684 (2019: £406,545) representing turnover of £2,720,468 (2019: £2,904,892) and total expenditure of £2,340,173 (2019: £2,506,755) and net liabilities at 31st December 2020 of £1,323,622 (2019: £442,906). The financial statements of Chandris (England) Limited are available from the following address: 17 Old Park Lane, London W1K 1QT.

12. Debtors

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	-	236,323	-	-
Other debtors	331,709	263,016	-	-
Prepayments and accrued income	852,187	328,869	-	-
	<u>1,183,896</u>	<u>828,208</u>	<u>-</u>	<u>-</u>
	Group		Charity	
	2020	As restated 2019	2020	2019
	£	£	£	£
Amounts falling due after more than one year:				
Deferred tax	618,790	436,001	-	-
Other debtors	67,852	63,512	-	-
	<u>686,642</u>	<u>499,513</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. 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 £7,407 (2019: £6,392) and £70,623 (2019: £53,820) respectively.

**The Chandris Foundation
and its Subsidiary Companies**

**Notes to the Consolidated Financial Statements
For the year ended 31st December 2020**

13. Creditors, amounts falling due within one year

	Group		Charity	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
	£	£	£	£
Trade creditors	-	-	-	-
Corporation tax	15,401	2,835	-	-
Other creditors, taxation and social security	74,964	323,861	-	-
Accruals	384,309	204,398	-	-
	<u>474,674</u>	<u>531,094</u>	<u>-</u>	<u>-</u>

14. Deferred taxation

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

	Group		Charity	
	<u>2020</u>	<u>As restated 2019</u>	<u>2020</u>	<u>2019</u>
	£	£	£	£
Deferred tax on net pension scheme deficit	622,250	432,541	-	-
Accelerated capital Allowances	(3,460)	6,177	-	-
Other timing differences	-	(2,717)	-	-
	<u>618,790</u>	<u>436,001</u>	<u>-</u>	<u>-</u>

The movement in deferred tax is as follows:

	<u>2020</u>	<u>As restated 2019</u>
	£	£
At 1st January	436,001	470,467
Deferred tax charge in relation to income and expenditure (note 8)	(90,811)	(836)
Deferred tax credit through other recognised gains/losses	273,600	(33,630)
At 31st December	<u>618,790</u>	<u>436,001</u>

**The Chandris Foundation
and its Subsidiary Companies**

**Notes to the Consolidated Financial Statements
For the year ended 31st December 2020**

15. 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:

	2020	As restated 2019
	£'000	£'000
Obligation:		
At the beginning of the year	20,142	19,264
Current service cost	83	71
Past service cost	4	-
Interest cost	360	475
Contributions by plan participants	3	-
Actuarial losses	2,389	1,143
Benefits paid	(868)	(821)
Actual employee contributions	7	10
	<hr/>	<hr/>
At 31st December 2020	22,120	20,142
	<hr/>	<hr/>
Assets:	2020	2019
	£'000	£'000
At the beginning of the year	17,829	16,769
Interest income on plan assets	340	457
Asset gains/(losses)	949	828
Employer contributions	588	586
Employee contributions	7	10
Benefits paid	(868)	(821)
	<hr/>	<hr/>
At 31 December 2020	18,845	17,829
	<hr/>	<hr/>
Net defined benefit pension scheme liability		
	2020	As restated 2019
	£'000	£'000
Fair value of plan assets	18,845	17,829
Present value of plan liabilities	(22,120)	(20,142)
	<hr/>	<hr/>
Net pension scheme liability	(3,275)	(2,313)
	<hr/>	<hr/>

**The Chandris Foundation
and its Subsidiary Companies**

**Notes to the Consolidated Financial Statements
For the year ended 31st December 2020**

15. Pensions (continued)

The amounts recognised in the income statement are as follows:

	<u>2020</u> £'000	<u>2019</u> £'000
Current service cost	83	71
Interest cost	360	226
Interest income on plan assets	(340)	(208)
Past service cost	4	-
	<hr/>	<hr/>
Total included in staff cost	<u>107</u>	<u>89</u>

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

	<u>2020</u> %	<u>2019</u> %
Equity instruments	28	28
Debt instruments	18	21
Insured pensions	47	46
Other	7	5
	<hr/>	<hr/>
	<u>100</u>	<u>100</u>

The actual return on plan assets was £949,000 (2019: £828,000).

	<u>2020</u> £'000	<u>2019</u> £'000
Return on plan assets	949	828
Remeasurement of defined benefit obligation	(2,389)	(1,143)
	<hr/>	<hr/>
Remeasurement of net defined benefit obligation	<u>(1,440)</u>	<u>(315)</u>

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

	2020 %	2019 %
Discount rate	1.4	2.0
Inflation rate	3.0	3.0
Future salary increases	2.5	2.5
Future pension increases	3.0	3.0

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.

**The Chandris Foundation
and its Subsidiary Companies**

**Notes to the Consolidated Financial Statements
For the year ended 31st December 2020**

15. Pensions (continued)

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

	<u>2020</u>	<u>2019</u>
Retiring at the end of the reporting period		
- Male	21.9	22.3
- Female	24.4	24.3
Retiring 20 years after the end of the reporting period		
- Male	23.3	23.8
- Female	26.0	26.0

The plans are valued triennially by independent external actuaries. The next valuation is scheduled to be undertaken on both schemes as at 30 November 2022. The Group believes that at the contribution rates established in the last triennial valuation (30 November 2019) as increased following actuarial advice, are sufficient to eliminate the deficit over the agreed period of 4 remaining years.

(b) Defined contribution schemes

The Group made contributions of £67,752 (2019: £68,634) in the year to third party defined contribution schemes. Contributions of £12,650 (2019: £14,298) were outstanding at the year end.

16. Operating Leases

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

	Land and Buildings <u>2020</u> £	Land and Buildings <u>2019</u> £
Within one year	248,285	248,285
Between 2 – 5 years	432,628	681,593
	<u>680,913</u>	<u>929,878</u>

17. Related party transactions

During the year The Chandris Foundation received dividends of £nil (2019: £25,620) from Chandris (England) Limited, its wholly owned subsidiary.

During the year, the group advanced numerous small interest free amounts to A.M. Chandris, a director of Chandris Foundation Trustees Limited, 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 £7,407 (2019: £6,392) and £70,623 (2019: £53,280) respectively.

18. Post balance sheet events

For the part of the defined benefit scheme referred to as the fund, the Group has obtained an update to the FRS 102 net liability at 30 June 2021 from their pension actuary, showing this has approximately halved from £3,023,000 to £1,567,000. This is a result of changes in the financial markets which have led to both improved asset values and higher discount rates for the liabilities. The trustee believes that this represents a more current valuation of the pension net liability at the date of approval of financial statements.