

Charity Registration No. 1114210

Company Registration No. 5761006 (England and Wales)

RAISA GORBACHEV FOUNDATION
TRUSTEES' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2009

RAISA GORBACHEV FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	The Hon Robert Hanson Mr Evgeny Lebedev Mr Jonathan Rutherford-Best Mr Geordie Greig Mr Alexander Lebedev
Secretary	Alastair Tulloch
Charity number	1114210
Company number	5761006
Principal address	11 Hill Street Mayfair London W1J 5LG England
Registered office	4 Hill Street Mayfair London W1J 5NE England
Auditors	Simon Silver-Myer 8 Durweston Street London W1H 1EW
Bankers	EFG Bank Limited Leconfield House Curzon Street London W1J 5JB
Patron	Mr Mikhail Gorbachev

RAISA GORBACHEV FOUNDATION

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RAISA GORBACHEV FOUNDATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2009

The trustees present their report and accounts for the year ended 31 December 2009.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Articles and Memorandum of Association, applicable law and the requirements of the Statement of Recommended Practice, "Accounting and Reporting by Charities" issued in October 2000.

Structure, governance and management

The charity is a company limited by guarantee and not having a share capital. The charity's objects are to relieve sickness in Russia and advance medical science in the field of child cancer.

The trustees, who are also the directors for the purpose of company law, and who served during the year were:

The Hon Robert Hanson

Mr Evgeny Lebedev

Mr Jonathan Rutherford-Best

Mr Geordie Greig

Mr Alexander Lebedev

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute no more than £10 in the event of a winding up.

There is no specific policy concerning the induction and training of trustees. However, all are recruited on the basis of their proven abilities in fundraising and event management, or corporate governance and oversight.

The Charity is managed by its Directors, who are also its trustees. Day to day management is delegated to the Company Secretary and the Board meets at least 4 times each year. No Director receives remuneration for his services, however, one of them was also a Director of the third party entity, which manages and administers the annual fund raising Gala event, but this relationship ceased since December 2009. The contractual obligations for that event are dealt with on an arms' length basis by the Board and by independent scrutiny.

The Charity must not undertake any substantial permanent trading activity and in no circumstances shall the net assets of the charity be paid to or distributed among the members of the Charity.

There are no specific investment powers.

There are no connected charities save that the annual Gala fundraising event is held in association with the Marie Curie Cancer Care Foundation to whom half of the auction and pledges are donated and that the largest single donor to the Foundation is the Lebedev Foundation.

The Directors have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Objectives and activities

The policies adopted in furtherance of these objects are to raise funds principally from an annual fund raising Gala dinner and from press articles promoting the charity and there has been no change in these during the year.

The aims of the charity are stated within objectives and activities.

RAISA GORBACHEV FOUNDATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2009

The charity's stated objectives for the year were to continue to support Russian medical institutions at the leading edge of child cancer provision and to achieve this by raising donations to enable those institutions to purchase new state of the art equipment for dedicated centres within them. In addition, last year, the Marie Curie Cancer Care was added to broaden the Appeal and widen the pool of potential donors.

The main activity in the year was the fourth annual fundraising gala dinner, which was held at Stud House, Hampton Court Palace, on 6th June 2009. The direct charity costs were underwritten by a third party donation, of £511,000 and successfully raised £2,174,542 from all sources, of which £725,775 was donated to Marie Curie Cancer Care, £698,712 was donated to the Raisa Gorbachev Memorial Institute for Children Haematology and Transplantology at the St Petersburg I Pavlov State Medical University. £352,920 was donated to the N Blokhin Russian Cancer Research Centre, £223,531 donated to the Louis Dundas Centre for Paediatric Palliative Care for a 3 year programme in paediatric palliative psychology and £37,390 was used to buy an ultrasound diagnostic system for the Filatov Paediatric Hospital 5 in St Petersburg.

The current grant making policy is to apply donations mainly towards institutional grants such as to the Raisa Gorbachev Memorial Institute at the St Petersburg I Pavlov Medical University, and, so as to widen the international efforts in fighting child cancer, to the Marie Curie Cancer Care charity in the UK.

The charity makes use of volunteers, where it is appropriate to do so, but in practice the trustees and secretary freely devote their time and resources, and these are sufficient for the charity to meet its objectives.

Achievements and performance

The Trustees consider that the charity achieved its objectives in raising sufficient funds to enable Russian medical institutions to acquire the designated equipment they had previously identified as urgently needed. Net incoming resources remained positive at in excess of £1.6 million, which was a highly satisfactory achievement and endorses the trustees decision to have widened its fundraising efforts to raise money for all children suffering from leukaemia.

As noted last year, the Marie Curie Cancer Care Foundation was added to its list of grant-supported institutions. The charity has committed itself to donate 50% of the proceeds raised from its auction and pledges received arising from the gala fund raising event to this cause.

Financial review

As stated above, the gala event more than achieved its fundraising objectives and at the year end substantial further reserves are available for distribution, pending an appraisal of grant-supported institutions future needs. Following an appraisal of the year's results, the trustees committed the charity to make significant donations of in excess of £1m to various institutions for a whole host of projects from proceeds raised in the year. These commitments are reflected in the Accounts.

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to twelve month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The principal funding sources are the donations, gifts, pledges received and auction bid proceeds derived from the annual gala event.

There are no specific investment policies.

RAISA GORBACHEV FOUNDATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2009

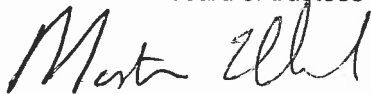
Plans for the future

The charity intends to continue to hold an annual Gala fundraising event for the foreseeable future. On 4th January 2010, a full-time Foundation Director was appointed. This is not a main board appointment.

Auditors

Simon Silver-Myer were appointed auditors to the company and in accordance with section 385 of the Companies Act 1985, a resolution proposing that they be re-appointed will be put to the Annual General Meeting.

On behalf of the board of trustees



Mr Alastair Tulloch

Member of Council

Dated: 29 June 2010

RAISA GORBACHEV FOUNDATION

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees, who are also the directors of Raisa Gorbachev Foundation for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Companies Act 2006. 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.

RAISA GORBACHEV FOUNDATION

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RAISA GORBACHEV FOUNDATION

We have audited the accounts of Raisa Gorbachev Foundation for the year ended 31 December 2009 set out on pages 7 to 12. These accounts have been prepared in accordance with the accounting policies set out on page 9.

This report is made solely to the charity's trustees, as a body, in accordance with section 43 of the Charities Act 1993 and regulations made under section 44 of that Act. 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As described in the statement of trustees' responsibilities, the trustees, who are also the directors of Raisa Gorbachev Foundation for the purposes of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the accounts give a true and fair view.

The trustees have elected for the accounts to be audited in accordance with the Charities Act 1993 rather than the Companies Act 2006. Accordingly we have been appointed as auditors under section 43 of the Charities Act 1993 and report in accordance with section 44 of that Act.

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the accounts give a true and fair view and are prepared in accordance with the Companies Act 2006. We also report to you if, in our opinion, the information given in the Trustees' Report is not consistent with those accounts, the charity has not kept adequate accounting records, if the charity's accounts are not in agreement with the accounting records and returns, or if we have not received all the information and explanations we require for our audit.

We read the Trustees' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the accounts, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

Opinion

In our opinion the accounts give a true and fair view of the charitable company's state of affairs as at 31 December 2009 and of its incoming resources & application of resources, including its income & expenditure, in the year then ended & have been properly prepared in accordance with the Companies Act 1985.

Simon Silver-Myer

Chartered Accountants

Registered Auditor

8 Durweston Street

RAISA GORBACHEV FOUNDATION

**INDEPENDENT AUDITORS' REPORT (CONTINUED)
TO THE MEMBERS OF RAISA GORBACHEV FOUNDATION**

London W1H 1EW
Dated: 19 July 2010

Simon Silvester

RAISA GORBACHEV FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2009

	Notes	2009 £	2008 £
<u>Incoming resources from generated funds</u>			
Donations and gifts	2	1,028,619	1,302,062
Investment income	3	1,891	47,285
		<u>1,030,510</u>	<u>1,349,347</u>
Incoming resources from charitable activities.	4	1,145,923	1,132,658
Other incoming resources	5	-	77,266
		<u>2,176,433</u>	<u>2,559,271</u>
<u>Resources expended</u>			
Costs of generating funds			
Fundraising and publicity		529,285	62,744
		<u>529,285</u>	<u>62,744</u>
Net incoming resources available			
		<u>1,647,148</u>	<u>2,496,527</u>
Charitable activities			
Grants Payable		2,109,054	1,955,201
		<u>2,109,054</u>	<u>1,955,201</u>
Governance costs		30,669	18,343
		<u>30,669</u>	<u>18,343</u>
Total resources expended			
		<u>2,669,008</u>	<u>2,036,288</u>
Net (expenditure)/income for the year/ Net movement in funds			
		(492,575)	522,983
Fund balances at 1 January 2009		783,699	260,716
		<u>783,699</u>	<u>260,716</u>
Fund balances at 31 December 2009			
		<u>291,124</u>	<u>783,699</u>

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

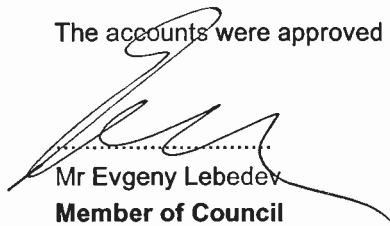
RAISA GORBACHEV FOUNDATION

BALANCE SHEET

AS AT 31 DECEMBER 2009

	Notes	2009 £	£	2008 £	£
Current assets					
Debtors	10	61,247		19,048	
Cash at bank and in hand		1,281,896		1,840,086	
		<u>1,343,143</u>		<u>1,859,134</u>	
Creditors: amounts falling due within one year	11	<u>(1,052,019)</u>		<u>(1,075,435)</u>	
Total assets less current liabilities			<u>291,124</u>		<u>783,699</u>
Income funds					
Unrestricted funds			<u>291,124</u>		<u>783,699</u>
			<u>291,124</u>		<u>783,699</u>

The accounts were approved by the Board on 29.6.10.....


.....
Mr Evgeny Lebedev
Member of Council

RAISA GORBACHEV FOUNDATION

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2009

1 Accounting policies

1.1 Basis of preparation

The accounts have been prepared under the historical cost convention.

The charity has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small charity.

The accounts have been prepared in accordance with applicable accounting standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005 and the Companies Act 2006.

1.2 Incoming resources

Donations, gifts and other forms of voluntary income are recognised as incoming resources when receivable, except insofar as they are incapable of financial measurement or unguaranteed pledges.

Assets for distribution are recognised only when distributed. Assets given for use by the charity are recognised when receivable. Stocks of undistributed donated goods are not valued for balance sheet purposes.

The direct charity costs of the annual gala event are underwritten by a donor. The value of the donation is the cost of hosting the event.

Other income includes gross receipts for auction bids for donated assets, table ticket sales, speaker engagement receipts and contributions towards direct charity costs, which are included in the gala event budget.

1.3 Resources expended

Grants payable and other charitable expenditure is recognised at the point at which any donation agreement is approved.

Corporate governance costs are recognised at the point at which the relevant services are expended.

All costs are allocated towards the annual gala event, whose costs are included in fundraising and publicity expenditure.

1.4 Foreign currency translation

Transactions denominated in foreign currencies are recorded at the rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. All differences are included in net outgoing resources.

1.5 Accumulated funds

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the accounts.

RAISA GORBACHEV FOUNDATION

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2009

2 Donations and gifts

	2009 £	2008 £
Donations and gifts	<u>1,028,619</u>	<u>1,302,062</u>

Gifts in kind, such as the direct charity costs of underwriting the annual Gala event, have been included in donations (2008 - as incoming resources) for the year.

3 Investment income

	2009 £	2008 £
Interest receivable	<u>1,891</u>	<u>47,285</u>

4 Incoming resources from charitable activities.

	2009 £	2008 £
Fundraising: Gala event and speaker engagements	349,853	339,971
Auction: Bids, donated assets and pledges received	796,070	792,687
	<u>1,145,923</u>	<u>1,132,658</u>

Insufficient information available for comparatives.

5 Other incoming resources

	Total 2009 £	Total 2008 £
Other income	<u>-</u>	<u>77,266</u>

RAISA GORBACHEV FOUNDATION

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2009

6 Total resources expended

	Staff costs £	Other costs £	Grant funding £	Total 2009 £	Total 2008 £
Costs of generating funds					
Fundraising and publicity	20,000	509,285	-	529,285	62,744
Charitable activities					
<u>Grants Payable</u>					
Grant funding of activities	-	-	2,109,054	2,109,054	1,955,201
Governance costs	-	30,669	-	30,669	18,343
	<u>20,000</u>	<u>539,954</u>	<u>2,109,054</u>	<u>2,669,008</u>	<u>2,036,288</u>

Governance costs includes payments to the auditors of £2,350 (2008- £2,075) for audit fees and £1,995 (2008- £1,695) for other services, excluding VAT.

The cost of generating funds referred to above were underwritten by the Lebedev Foundation.

7 Grants payable

	Total 2009 £	Total 2008 £
Grants to institutions (5 grants):		
Marie Curie Cancer Care	725,775	
N Blokhin Russian Cancer Research Centre	352,920	1,070,795
Raisa Gorbachev Memorial Institute, St Petersburg	698,713	884,406
Louis Dundas Centre for Paediatric Palliative Care	223,531	
Filatov Paediatric Hospital 5, St Petersburg	37,390	
	<u>2,038,329</u>	<u>1,955,201</u>
Grants to individuals (4 grants)	70,725	-
	<u>2,109,054</u>	<u>1,955,201</u>

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, and none of them were reimbursed for travelling expenses (2008- all were reimbursed £0).

RAISA GORBACHEV FOUNDATION

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2009

9 Employees

Number of employees

The average monthly number of employees during the year was:

	2009 Number	2008 Number
Fundraising and publicity	1	1

Employment costs

	2009 £	2008 £
Wages and salaries	20,000	20,000

The charity employed one part-time staff to assist with fundraising and publicity for the Gala event.

There were no employees whose annual remuneration was £60,000 or more.

10 Debtors

	2009 £	2008 £
Other debtors	-	19,048
Prepayments and accrued income	61,247	-
	<u>61,247</u>	<u>19,048</u>

11 Creditors: amounts falling due within one year

	2009 £	2008 £
Grants payable	1,046,914	1,070,795
Accruals	5,105	4,640
	<u>1,052,019</u>	<u>1,075,435</u>

12 Auditors' Ethical Standards

The relevant circumstances requiring disclosure in accordance with the requirements of APB Ethical Standard - Provisions Available for Small Entities are that, in common with many charities of our size and nature we use our auditors to assist with the preparation of the accounts.