

Charity Registration No. 1114210

Company Registration No. 5761006 (England and Wales)

**RAISA GORBACHEV FOUNDATION**  
**TRUSTEES' REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2007**

# RAISA GORBACHEV FOUNDATION

## LEGAL AND ADMINISTRATIVE INFORMATION

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

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# RAISA GORBACHEV FOUNDATION

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# RAISA GORBACHEV FOUNDATION

## TRUSTEES' REPORT

### *FOR THE YEAR ENDED 31 DECEMBER 2007*

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The trustees present their report and accounts for the year ended 31 December 2007.

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, 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 is also a Director of the third party entity, which manages and administers the annual fund raising Gala event. 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.

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.

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.

# **RAISA GORBACHEV FOUNDATION**

## **TRUSTEES' REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 DECEMBER 2007**

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The main activity in the year was the second annual fundraising gala dinner, which was held at Hampton Court Palace, on 2nd June 2007. The direct charity costs were underwritten by a third party donation, and successfully raised £1,121,095, of which £539,968 was donated to the Raisa Gorbachev Centre of Child Haematology and Transplantology at the St Petersburg I Pavlov State Medical University, and a further £598,097 was donated to the N N Blokhin Russian Cancer Research Centre.

The current grant making policy is to apply donations towards grants to the St Petersburg State I Pavlov Medical University (Raisa Gorbachev Centre of Children Haematology and Transplantology) and the N N Blokhin Russian Cancer Research Centre of the Russian Academy of Medical Sciences, as well as, where appropriate, the parents of children suffering from cancer (towards their travel and accomodation costs).

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 the Russian medical institutions to acquire the designated equipment they had previously identified as urgently needed.

#### **Financial review**

As stated above, the gala event achieved its fundrasing objectives and at the year end a sum of £263,360 was held on bank deposit pending disbursement for future grant applications.

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 and gifts received from the annual gala event.

There are no specific investment policies.

#### **Plans for the future**

The charity intends to continue to hold an annual Gala fundraising event for the foreseeable future.

#### **Disclosure of information to auditors**

Each of the directors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

#### **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: .....

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# RAISA GORBACHEV FOUNDATION

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

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The trustees are responsible for preparing the accounts in accordance with applicable law and 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 its incoming resources and application of resources, including its net income and expenditure for the year.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the accounts comply with the Companies Act 1985. 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

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We have audited the accounts of Raisa Gorbachev Foundation for the year ended 31 December 2007 set out on pages 6 to 10. These accounts have been prepared under the accounting policies set out on page 8.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members 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 on page 4, 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). 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 properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Trustees' Report is consistent with the accounts, if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the charity is not disclosed.

We read other information contained in the Trustees' Report, and consider whether it is consistent with the audited accounts. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the accounts. Our responsibilities do not extend to any other information.

### **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 2007 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

London W1H 1EW

Dated: .....

# RAISA GORBACHEV FOUNDATION

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2007

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	Notes	2007 £	2006 £
<b><u>Incoming resources from generated funds</u></b>			
Donations and gifts	2	1,121,095	523,262
Investment income	3	19,771	7,812
		<hr/>	<hr/>
		1,140,866	531,074
Other incoming resources	4	54,760	313,000
		<hr/>	<hr/>
<b>Total incoming resources</b>		<b>1,195,626</b>	<b>844,074</b>
		<hr/>	<hr/>
<b><u>Resources expended</u></b>			
	5		
<b>Costs of generating funds</b>			
Fundraising and publicity		54,760	149,508
		<hr/>	<hr/>
<b>Net incoming resources available</b>		<b>1,140,866</b>	<b>694,566</b>
		<hr/>	<hr/>
<b>Charitable activities</b>			
Grants Payable		1,138,065	420,499
		<hr/>	<hr/>
Governance costs		13,485	2,667
		<hr/>	<hr/>
<b>Total resources expended</b>		<b>1,206,310</b>	<b>572,674</b>
		<hr/>	<hr/>
<b>Net (expenditure)/income for the year/ Net movement in funds</b>		<b>(10,684)</b>	<b>271,400</b>
		<hr/>	<hr/>
Fund balances at 1 January 2007		271,400	-
		<hr/>	<hr/>
<b>Fund balances at 31 December 2007</b>		<b>260,716</b>	<b>271,400</b>
		<hr/> <hr/>	<hr/> <hr/>

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 1985.

# RAISA GORBACHEV FOUNDATION

## BALANCE SHEET

AS AT 31 DECEMBER 2007

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	Notes	2007 £	£	2006 £	£
<b>Current assets</b>					
Cash at bank and in hand		263,360		274,044	
<b>Creditors: amounts falling due within one year</b>					
	9	<u>(2,644)</u>		<u>(2,644)</u>	
<b>Total assets less current liabilities</b>		<u>260,716</u>		<u>271,400</u>	
<b>Income funds</b>					
Unrestricted funds		<u>260,716</u>		<u>271,400</u>	
		<u>260,716</u>		<u>271,400</u>	

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

.....  
Mr Evgeny Lebedev  
**Member of Council**

# RAISA GORBACHEV FOUNDATION

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2007

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### 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 1985.

#### 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.

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.

Other income includes gross receipts for auction bids for donated assets, 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 2007

### 2 Donations and gifts

	2007 £	2006 £
Donations and gifts	<u>1,121,095</u>	<u>523,262</u>

Gifts in kind, such as the direct charity costs of underwriting the annual Gala event, have been included as other incoming resources for the year.

### 3 Investment income

	2007 £	2006 £
Interest receivable	<u>19,771</u>	<u>7,812</u>

### 4 Other incoming resources

	2007 £	2006 £
Other income	<u>54,760</u>	<u>313,000</u>

### 5 Total resources expended

	Staff costs £	Other costs £	Grant funding £	Total 2007 £	Total 2006 £
<b>Costs of generating funds</b>					
Fundraising and publicity	20,000	34,760	-	54,760	149,508
<b>Charitable activities</b>					
<u>Grants Payable</u>					
Grant funding of activities	-	-	1,138,065	1,138,065	420,499
<b>Governance costs</b>	-	13,485	-	13,485	2,667
	<u>20,000</u>	<u>48,245</u>	<u>1,138,065</u>	<u>1,206,310</u>	<u>572,674</u>

Governance costs includes payments to the auditors of £2,250 (2006- £1,250) for audit fees and £1,110 (2006- £1,000) for other services, excluding VAT.

# RAISA GORBACHEV FOUNDATION

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2007

### 6 Grants payable

	<b>Total 2007 £</b>	Total 2006 £
Grants to institutions (3 grants):		
St Petersburg State I Pavlov Medical University	<b>539,968</b>	420,499
N N Blokhin Russian Cancer Research Centre	<b>598,097</b>	-
	<b>1,138,065</b>	420,499

### 7 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 (2006- all were reimbursed £0).

### 8 Employees

#### Number of employees

The average monthly number of employees during the year was:

	<b>2007 Number</b>	2006 Number
Fundraising and publicity	<b>1</b>	-

#### Employment costs

	<b>2007 £</b>	2006 £
Wages and salaries	<b>20,000</b>	-

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

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

### 9 Creditors: amounts falling due within one year

	<b>2007 £</b>	2006 £
Accruals	<b>2,644</b>	2,644