

OXFORD RUSSIA FUND
ACCOUNTS FOR THE YEAR
ENDED 31 DECEMBER 2010

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Company No 5341971

Charity No 1108957

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OXFORD RUSSIA FUND
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2010

The Trustees submit their annual report and audited accounts for the year ended 31 December 2010

Reference and administrative details

Trustees	A Tulloch A Smith A Dalton B Saltykov Lord C Patten A Auzan
Company secretary	A Tulloch
Company registration number	5341971
Charity number	1108957
Registered office	4 Hill Street London W1J 5NE
Bankers	Lloyds TSB Bank Plc Berkeley Square Branch London W1J 6AF
Auditors	Critchleys LLP Greyfriars Court Paradise Square Oxford OX1 1BE

Structure, Governance and Management

The charity is a charitable company limited by guarantee. The charity is governed by its Memorandum and Articles of Association.

The charity is managed by its Board of trustees and the charity has a representative office in Russia through whom the work of the charity in Russia is co-ordinated.

The major risks, as identified by the trustees, have been reviewed and systems established to mitigate those risks.

The Khodorkovsky Foundation, a charity with trustees in common, provides the vast majority of Oxford Russia Fund's income.

New trustees are inducted into their role as trustees in a series of briefings on the work of the charity.

OXFORD RUSSIA FUND**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2010 (CONTINUED)****Objectives and Activities for the Public Benefit**

The main objects of the charity are to advance education in the Russian Federation through the provision of scholarships to students and the making of donations to educational establishments

The charity focuses on grants to Russian universities for the provision of scholarships, the distribution of English language academic books to Russian universities and the support of conferences on topics of current relevance to Russian universities. For a full description of the various educational programmes supported by the charity please see the Fund's website at <http://www.oxfordrussiafund.org>

The Trustees have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the public benefit guidance published by the Charity Commission

Grant-making policy

The Trustees seek to advance education in Russia by

- a) the provision of scholarships for students (of Russian nationality) attending Russian Universities in the Humanities,

The Foundation will not entertain individual applications for scholarships and will only provide scholarships through Russian universities which are willing to administer the scholarships

- b) the support of Russian educational institutions and non-profit organisations focused on education,
- c) the support of educational institutions in the UK, which indirectly advance education in Russia through the provision of training, research programmes, student/teacher exchange programmes and cultural activities, and
- d) the support of conferences, wheresoever held, on topics related to Russian education and other initiatives which might advance education in Russia

The Trustees are of the view that the majority of their grant making will lie in the provision of scholarships to Russian students and the support of educational institutions in Russia

The Trustees' current policy is normally to accept grant proposals which have been initiated by the Fund

These policies will be annually reviewed in the light of the growing understanding of the needs of Russia and the Trustees intend to respond flexibly to the newly identified needs of succeeding generations of Russian citizens

OXFORD RUSSIA FUND
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2010 (CONTINUED)

Achievements and further plans

Through the grant making activities of the Charity

3,236 undergraduate students at 20 Russian Universities were in 2010 awarded scholarship of approximately USD1,160 (USD2,000 Moscow) each. The scholarships are awarded on merit and are designed to encourage the study of the humanities in Russian Universities. In 2011 the number of undergraduates at 20 Russian Universities who will hold ORF Scholarships is forecast to be 3,560.

Over 2,000 English Language academic books across the humanities have been distributed to each of the 20 Russian Universities, whilst 457 titles are available from the ebook electronic library.

Financial Review

As at 31 December 2010 free reserves (represented by unrestricted funds) were nil.

The charity is dependent on grants from the Khodorkovsky Foundation which has agreed to continue the expansion of the charity's work in Russia.

OXFORD RUSSIA FUND

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2010 (CONTINUED)**Statement of Trustees' Responsibilities**

The Trustees are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and regulations

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

So far as the Trustees are aware, there is no relevant audit information (information needed by the charity's auditors in connection with preparing their report) of which the charity's auditors are unaware, and

Each Trustee has taken all the steps that he ought to have taken as Trustee in order to make himself aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

This report was approved by the Trustees on 21 April 2011



A Tulloch (Trustee)

**OXFORD RUSSIA FUND
INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF OXFORD RUSSIA FUND**

We have audited the accounts of Oxford Russia Fund for the year ended 31 December 2010 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 charitable company and its 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 explained more fully in the Trustees' Responsibilities Statement set out on page 5, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors, including "APB Ethical Standard – Provisions Available for Small Entities (Revised)", in the circumstances set out in note 1(a) to the accounts.

Scope of the audit of the accounts

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the accounts. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited accounts. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on accounts

In our opinion the accounts

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2010 and of its incoming resources and application of resources, including its income and expenditure, 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 Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Report for the financial year for which the accounts are prepared is consistent with the accounts.

**OXFORD RUSSIA FUND
INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF OXFORD RUSSIA FUND (CONTINUED)**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us, or
- the accounts are not in agreement with the accounting records and returns, or
- certain disclosures of trustees' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit


Robert Kirtland
Senior Statutory Auditor
For and on behalf of Critchleys LLP, Statutory Auditor
Oxford

27/4/11.

OXFORD RUSSIA FUND

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2010

	Notes	2010 Unrestricted \$	2009 Unrestricted \$
Incoming Resources			
Incoming resources from generated funds			
Voluntary income		5,252,429	5,025,637
Interest receivable		<u>216</u>	<u>525</u>
Total incoming resources		<u>5,252,645</u>	<u>5,026,162</u>
Resources Expended			
Charitable activities	2		
Russia Student Scholarships		5,203,268	4,353,201
Library Project		246,292	539,221
Summer Schools		60,062	60,196
Governance costs	5	<u>7,180</u>	<u>7,736</u>
Total resources expended		<u>5,516,802</u>	<u>4,960,354</u>
Net incoming resources		(264,157)	65,808
Total funds brought forward		<u>264,157</u>	<u>198,349</u>
Total funds carried forward		<u><u>-</u></u>	<u><u>264,157</u></u>

All activities are continuing All funds are unrestricted

OXFORD RUSSIA FUND - 5341971

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**BALANCE SHEET
AT 31 DECEMBER 2010**

	Note	2010 \$	2009 \$
Current assets			
Debtors	7	60,343	-
Cash at bank and in hand		<u>985</u>	<u>271,362</u>
		61,328	271,362
Creditors. amounts falling due within one year	8	(61,328)	<u>(7,205)</u>
Net assets		<u>-</u>	<u>264,157</u>
Funds			
Unrestricted funds		<u>-</u>	<u>264,157</u>

These accounts are prepared in United States Dollars

The rate of exchange at 31 December 2010 is £1 = \$1 5471 (2009 £1 = \$1 5928)

These accounts were approved and authorised for issue by the Trustees on 21 April 2011

Anthony Smith,

A Smith (Trustee)

OXFORD RUSSIA FUND

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2010

1 ACCOUNTING POLICES

a) **Basis of preparation**

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards, the Companies Act and the Statement of Recommended Practice (SORP 2005) "Accounting by Charities"

In common with many charities of our size and nature, we use our auditors to assist with the preparation of the accounts

b) **Fund accounting**

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the objects of the charity and which have not been designated for other purposes. Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or which have been raised by the charity for a specific purpose

c) **Incoming resources**

Incoming resources are generally recognised on a receivable basis and are reported gross of related expenditure, where the amounts are reasonably certain and when there is adequate certainty of receipt

The following specific policy is applied. Voluntary income is included in the Statement of Financial Activities when it is receivable

d) **Resources expended**

Resources expended are accounted for on an accruals basis and gross of any related income. They are classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources

- Charitable expenditure comprises direct expenditure including grants. Where costs cannot be directly attributed, they have been allocated to activities on a basis consistent with the use of resources
- Expenditure on grants is recorded once the commitment to pay the grant has been agreed with the beneficiary. If there is a multi-year grant agreement where the Fund has the rights to terminate the agreement, only the current year's grant is included in resources expended
- Any support costs specific to one of the activities is allocated wholly to that activity. The remaining support costs are allocated to that activity in proportion to the combined costs of activities undertaken directly and grants
- Governance costs include those costs, such as Auditors' fees, associated with constitutional and statutory requirements

e) **Foreign currencies**

Transaction in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the Statement of Financial Activities

OXFORD RUSSIA FUND

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2010 (CONTINUED)**

2 CHARITABLE ACTIVITIES

	Activities undertaken directly	Grant funding of activities (note 4)	Support costs (note 3)	Total 2010	Total 2009
	\$	\$	\$	\$	\$
Russian Student Scholarships	-	4,922,099	281,169	5,203,268	4,353,201
Library Project	170,984	74,301	1,007	246,292	539,221
Summer Schools	-	60,000	62	60,062	60,196
	<u>170,984</u>	<u>5,056,400</u>	<u>282,238</u>	<u>5,509,622</u>	<u>4,952,618</u>

3 SUPPORT COSTS

	Russian Student Scholarship	Library Project	Summer Schools	Total 2010	Total 2009
	\$	\$	\$	\$	\$
Representative office costs	267,043	-	-	267,043	265,000
Other support costs	14,126	1,007	62	15,195	36,443
	<u>281,169</u>	<u>1,007</u>	<u>62</u>	<u>282,238</u>	<u>301,443</u>

OXFORD RUSSIA FUND

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2010 (CONTINUED)

4 ANALYSIS OF GRANTS	2010	2009
	\$	\$
Russian Student Scholarship		
Institutions		
Tomsk State University	341,379	293,840
Higher School of Economics, Moscow	487,685	476,160
Ural State University	116,334	104,770
Perm State University	171,905	157,156
Novgorod State University	227,586	195,893
Far Eastern National University	280,510	244,867
Irkutsk State University	236,819	195,893
Nizhni Novgorod State University	284,483	261,331
Tver State University	167,856	146,920
Ulyanovsk State University	170,690	157,156
New Economic School	25,000	5,000
Southern Federal University	355,229	293,840
Voronezh State University	177,308	146,920
Siberian Federal University	236,819	195,893
Samara State University	177,614	154,752
Petrozavodsk State University	227,586	209,541
Association of Russian Economic Think Tanks	100,000	100,000
Kazan State University	295,966	174,617
Kuban State University	236,819	130,596
Saratov State University	236,410	137,781
Tyumen State University	190,485	139,694
Yaroslav State University	177,614	104,770
European University at St Petersburg	<u>-</u>	<u>30,000</u>
	4,922,099	4,057,390
Library Project		
Institutions		
St Antony's College, Oxford	74,301	60,640
University of Oxford (Faculty of Medieval and Modern Languages)	<u>-</u>	<u>6,155</u>
	<u>74,301</u>	<u>66,795</u>
Summer Schools		
Creative Industries	<u>60,000</u>	<u>60,000</u>
	<u>60,000</u>	<u>60,000</u>
Total grants	<u>5,056,400</u>	<u>4,184,185</u>

OXFORD RUSSIA FUND

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2010 (CONTINUED)**

5	GOVERNANCE COSTS	2010	2009
		\$	\$
	Auditors' remuneration - audit and accountancy	<u>7,180</u>	<u>7,736</u>
	No Trustee received any remuneration or reimbursement of expenses in the period		
6	STAFF COSTS	2010	2009
		\$	\$
	UK wages and salaries and similar costs	<u>6,851</u>	<u>13,775</u>
	Average number of employees (including those in Russia)	<u>No</u> <u>3</u>	<u>No</u> <u>3</u>
	No employees' emoluments exceeded £60,000 in the year		
7	DEBTORS	2010	2009
		\$	\$
	Grants receivable	<u>60,343</u>	<u>-</u>
8	CREDITORS' AMOUNTS FALLING DUE WITHIN ONE YEAR	2010	2009
		\$	\$
	Accruals	<u>61,328</u>	<u>7,205</u>
9	RELATED PARTIES		
	A Tulloch, A Smith, A Dalton and B Saltykov are also the Trustees of the Khodorkovsky Foundation. The Khodorkovsky Foundation made grants to Oxford Russia Fund of \$5,252,429 (2009 \$5,025,637) during the year.		
	\$60,343 (2009 Nil) is included in debtors at year end		