

OXFORD RUSSIA FUND
ACCOUNTS FOR THE YEAR
ENDED 31 DECEMBER 2016

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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 2016

The Trustees submit their annual report and audited accounts for the year ended 31 December 2016.

Reference and administrative details

Trustees	A Tulloch A Smith B Saltykov Lord C Patten J Nightingale I Yurgens (Resigned 28/3/2016) R Caldecott
Company secretary	A Tulloch
Company registration number	5341971
Charity number	1108957
Registered office	4 Hill Street London W1J 5NE
Bankers	Lloyds Bank Plc Berkeley Square Branch London W1J 6AF
Solicitors	Tulloch & Co 4 Hill Street London W1J 5NE
Auditors	Critchleys LLP Greyfriars Court Paradise Square Oxford OX1 1BE

**OXFORD RUSSIA FUND
TRUSTEES' REPORT**

FOR THE YEAR ENDED 31 DECEMBER 2016 (CONTINUED)

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. Currency fluctuations and inflation in Russia are the two principle variables that can impact on the work of the Fund and the Trustees seek to ameliorate their effect by adjusting the level of grants. Russian Government policy shifts may also effect the study of the humanities in Russian universities and the Fund monitors such policy changes and seeks to adapt its projects accordingly.

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

New trustees are inducted in to their role as trustees in a series of briefings on the work of the charity. The Trustees have been selected from their skills and professionalism and come with many years of experience in different walks of life and additional training is provided through working together on joint visits to Russian universities and on the Fund's projects.

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 confirm that they have complied with the duty in section 17(5) of the Charities Act 2011 to have due regard to the 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;

**OXFORD RUSSIA FUND
TRUSTEES' REPORT**

FOR THE YEAR ENDED 31 DECEMBER 2016 (CONTINUED)

- 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

Achievements and future plans

Through the grant making activities of the Charity:

2,100 undergraduate students at 20 Russian Universities were in 2016 awarded scholarships of approximately USD 1,000 each. The scholarships are awarded on merit and are designed to encourage the study of the humanities in Russian Universities. In 2017 the number of undergraduates at 20 Russian Universities who will hold ORF Scholarships is forecast to be 2,100.

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

The results of the charity in the year are set out in the Statement of Financial Activities on page 7.

As at 31 December 2016 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. Due to the funding arrangements the Trustees consider there is no requirement for the charity to hold reserves.

**OXFORD RUSSIA FUND
TRUSTEES' REPORT**

FOR THE YEAR ENDED 31 DECEMBER 2016 (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, including Financial Reporting Standard 102 (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.

Small company exemptions

This report has been prepared in accordance with the Small Companies Regime under Section 419(2) of the Companies Act 2006.

This report was approved by the Trustees on 5 April 2017



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 2016 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, including Financial Reporting Standard 102 (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 4, 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(b) 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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 2016 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

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

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit;

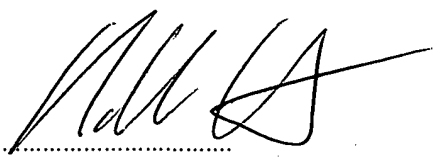
- the information given in the Trustees' Report for the financial year for which the accounts are prepared is consistent with the accounts.
- The Trustees' Report has been prepared in accordance with applicable legal requirements.

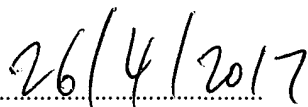
Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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; or
- the trustees were not entitled to take advantage of the small companies exemption in preparing the Trustees' Report and take advantage of the small companies exemption from the requirement to prepare a strategic report.


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


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OXFORD RUSSIA FUND

**STATEMENT OF FINANCIAL ACTIVITIES (Including Income and Expenditure account)
FOR THE YEAR ENDED 31 DECEMBER 2016**

	Note	2016 Unrestricted \$	2015 Unrestricted \$
Income from			
Donations and Legacies		<u>2,961,059</u>	<u>3,624,345</u>
Total income		<u>2,961,059</u>	<u>3,624,345</u>
Expenditure on			
Charitable activities	2		
Russia Student Scholarships		2,626,697	3,240,621
English Literature Seminars/Library Project		108,187	173,598
Summer and Winter Schools		<u>363,675</u>	<u>72,626</u>
Total Expenditure		<u>3,098,559</u>	<u>3,486,845</u>
Net income		(137,500)	137,500
Total funds brought forward		<u>137,500</u>	-
Total funds carried forward		<u>-</u>	<u>137,500</u>

All activities are continuing and there are no gains and losses other than those shown above. All funds are unrestricted.

OXFORD RUSSIA FUND
(company no: 5341971)
BALANCE SHEET

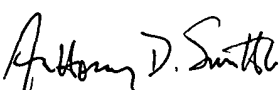
AT 31 DECEMBER 2016

	Note	2016 Unrestricted \$	2015 Unrestricted \$
Current assets			
Debtors	8	3,042	-
Cash at bank and in hand		<u>6,685</u>	<u>149,283</u>
		9,727	149,283
Creditors: amounts falling due within one year	9	<u>(9,727)</u>	<u>(11,783)</u>
Net assets		<u>-</u>	<u>137,500</u>
Funds			
Unrestricted funds		<u>-</u>	<u>137,500</u>

These accounts are prepared in United States Dollars.

The rate of exchange at 31 December 2016 is \$1.23016 (2015 £1 = \$1.4802)

These accounts were approved and authorised for issue by the Trustees on 5 April 2017



~~A Tulloch~~ (Trustee) Anthony D. Smith

OXFORD RUSSIA FUND

**STATEMENT OF CASHFLOW
FOR THE YEAR ENDED 31 DECEMBER 2016**

	Note	2016 \$	2015 \$
Cashflow from operating activities			
Net cash provided by operating activities	11	<u>(142,598)</u>	<u>93,162</u>
Change in cash and cash equivalents in reporting period	11	(142,598)	93,162
Cash and cash equivalents at the beginning of the reporting period		<u>149,283</u>	<u>56,121</u>
Cash and cash equivalents at the end of the reporting period		<u><u>6,685</u></u>	<u><u>149,283</u></u>

OXFORD RUSSIA FUND

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2016

1 ACCOUNTING POLICES

a) **General Information**

This company is a charitable company limited by guarantee incorporated in the United Kingdom. Its registered office is at 4 Hill Street, London, W1J 5NE. It is a public benefit entity.

b) **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 charities Statement of Recommended Practice (SORP) FRS102

In common with many charities of our size and nature, we use our auditors to assist with the preparation of the accounts. There are no uncertainties about the charity's ability to continue as a going concern.

The functional and presentational currency is US Dollars.

c) **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.

d) **Income**

Income is 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: Donations and legacies income is included in the Statement of Financial Activities when it is receivable.

e) **Expenditure**

Expenditure is 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.

**OXFORD RUSSIA FUND
NOTES TO THE ACCOUNTS**

FOR THE YEAR ENDED 31 DECEMBER 2016

f) Foreign currencies

Transaction in foreign currencies is 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.

2 CHARITABLE ACTIVITIES

	Activities Undertaken Directly	Grant Funding of Activities (note 4)	Support Costs (note 3)	Total 2016	Total 2015
	\$	\$	\$	\$	\$
Russian Student Scholarships	-	2,415,616	211,081	2,626,697	3,240,621
English Literature Seminars/ Library Project	-	100,737	7,450	108,187	173,598
Summer and Winter Schools	<u>130,000</u>	<u>203,875</u>	<u>29,800</u>	<u>363,675</u>	<u>72,626</u>
	<u>130,000</u>	<u>2,720,228</u>	<u>248,331</u>	<u>3,098,559</u>	<u>3,486,845</u>

CHARITABLE ACTIVITIES (2015 Comparatives)

	Activities Undertaken Directly	Grant Funding of Activities (note 4)	Support Costs (note 3)	Total 2015
	\$	\$	\$	\$
Russian Student Scholarships	-	3,042,296	198,325	3,240,621
English Literature Seminars/ Library Project	978	171,434	1,186	173,598
Summer and Winter Schools	<u>-</u>	<u>72,151</u>	<u>475</u>	<u>72,626</u>
	<u>978</u>	<u>3,285,881</u>	<u>199,986</u>	<u>3,486,845</u>

3 SUPPORT COSTS

	Russian Student Scholarship	Seminars/ Library Projects	Summer & Winter Schools	Total 2016	Total 2015
	\$	\$	\$	\$	\$
Representative office costs	189,984	6,705	26,821	223,510	176,249
Other support costs	15,374	543	2,171	18,088	15,655
Governance costs (note 5)	<u>5,723</u>	<u>202</u>	<u>808</u>	<u>6,733</u>	<u>8,082</u>
	<u>211,081</u>	<u>7,450</u>	<u>29,800</u>	<u>248,331</u>	<u>199,986</u>

**OXFORD RUSSIA FUND
NOTES TO THE ACCOUNTS**

FOR THE YEAR ENDED 31 DECEMBER 2016 (CONTINUED)

4 ANALYSIS OF GRANTS

	2016	2015
	\$	\$
Russian Student Scholarship		
Institutions:		
Tomsk State University	191,983	242,449
Higher School of Economics, Moscow	224,468	276,691
Ural State University	90,658	114,490
Perm State University	101,324	127,959
Novgorod State University	90,658	114,490
Far Eastern National University	157,583	211,582
Irkutsk State University	149,320	188,571
Nizhny Novgorod State University	96,650	121,224
Tver State University	95,991	121,224
Ulyanovsk State University	82,875	107,755
Southern Federal University	191,983	242,449
Voronezh State University	90,658	114,490
Siberian Federal University	74,940	94,286
Samara State University	88,054	114,490
Petrozavodsk State University	91,280	114,490
Kazan State University	182,561	228,980
Kuban State University	101,324	125,400
Saratov State University	149,320	184,800
Tyumen State University	96,650	110,676
Yaroslav State University	<u>67,336</u>	<u>85,800</u>
	<u>2,415,616</u>	<u>3,042,296</u>
English Literature Seminars/Library Project		
Institutions:		
Novosibirsk State University	36,950	-
Volgograd State Socio-pedagogical	24,000	-
Perm State University	-	102,000
St Antony's College, Oxford	<u>39,787</u>	<u>69,434</u>
	<u>100,737</u>	<u>171,434</u>
Summer and Winter Schools		
Institutions:		
Creative Industries	130,875	72,151
Professional Association of Cultural Managers	<u>73,000</u>	-
	<u>203,875</u>	<u>72,151</u>
Total grants	<u>2,720,228</u>	<u>3,285,881</u>

**OXFORD RUSSIA FUND
NOTES TO THE ACCOUNTS**

FOR THE YEAR ENDED 31 DECEMBER 2016 (CONTINUED)

5 GOVERNANCE COSTS

	2016	2015
	\$	\$

Auditors' remuneration - audit and accountancy	<u>6,733</u>	<u>8,082</u>
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6 STAFF COSTS

	2016	2015
	\$	\$

UK wages and salaries and similar costs	<u>13,634</u>	<u>14,959</u>
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	No.	No.
Average number of employees (including those in Russia)	<u>3</u>	<u>3</u>

No employees' emoluments exceeded £60,000 in the year.

7 TRUSTEES' REMUNERATION AND EXPENSES

	2016	2015
	\$	\$

Remuneration – A Smith	<u>13,634</u>	<u>14,959</u>
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A Smith, in his capacity as ambassador for the Charity, is to be remunerated at the rate of £10,000 per annum. This agreement is permitted by the Charity's Memorandum of Association. There is no other key management personnel remuneration.

The charity paid \$763 for hotel accommodation for 1 Trustee. No trustee received any other reimbursement of expenses in the year (2015: \$nil).

8 DEBTORS

	2016	2015
	\$	\$

Grants receivable	<u>3,042</u>	<u>-</u>
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9 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016	2015
	\$	\$

Accruals	9,727	11,783
Grants payable	<u>-</u>	<u>-</u>
	<u>9,727</u>	<u>11,783</u>

**OXFORD RUSSIA FUND
NOTES TO THE ACCOUNTS**

FOR THE YEAR ENDED 31 DECEMBER 2016 (CONTINUED)

10 RELATED PARTIES

A Tulloch, A Smith, R Caldecott and B Saltykov are also the Trustees of the Khodorkovsky Foundation. The Khodorkovsky Foundation made grants to Oxford Russia Fund of \$2,961,059 (2015: \$3,624,345) during the year.

\$3,042 (2015: \$Nil) is included in debtors at year end.

11 RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2016	2015
	\$	\$
Net income for the reporting period (as per the statement of financial activities)	(137,500)	137,500
Adjustments for:		
Increase in debtors	(3,042)	145,963
(Increase) in creditors	<u>(2,056)</u>	<u>(190,301)</u>
Net cash flow from operating activities	<u>(142,598)</u>	<u>93,162</u>