

CHARITY REGISTRATION NUMBER: 1063185

The Venik Trust
Unaudited Financial Statements
30 November 2021

MANSER HUNOT

Chartered Certified Accountants
Highland House
Albert Drive
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The Venik Trust

Financial Statements

Year ended 30 November 2021

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The Venik Trust

Trustees' Annual Report

Year ended 30 November 2021

The trustees present their report and the unaudited financial statements of the charity for the year ended 30 November 2021.

Chair's report

Reference and administrative details

Registered charity name	The Venik Trust
Charity registration number	1063185
Principal office	Up Marden Farm Chichester West Sussex PO18 9JR

The trustees

R G Seddon
J G Seddon
C D K Finlay-Notman
V Seddon

The full name of the charity is The Venik Trust

The original declaration of the trust was dated 20 March 1997. The Trust Deed requires the Trust to be administered by a body of Trustees.

Independent examiner	John Brimecome FCCA Highland House Albert Drive Burgess Hill West Sussex RH15 9TN
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Structure, governance and management

The Charity is managed by its trustees; it has no employees.

Day to day executive management is carried out by the chairman, but the trustees consult on all significant policy and management matters.

The governing document is a trust deed and the charity is constituted as a trust.

There are no restrictions imposed on the trustees concerning the way in which the charity can operate, and their powers of investments are unrestricted.

It is the intention of the trustees to seek further trustees in the year ahead, and the recruitment and appointment of new trustees will be determined by their qualification in the fields in which we are working, their experience of charity governance and their ability to contribute positively to the achievement and furtherance of the charity's objects.

New trustees will be given all relevant documents about the current operation of the charity, its policies and plans for the future. Discussion between existing and new trustees will confirm that a new trustee understands the information and considers it sufficient to permit him/her to fulfil the functions and responsibilities of trustee.

The Venik Trust

Trustees' Annual Report *(continued)*

Year ended 30 November 2021

The Charity has three main activities:

- i) Providing funding for a family home in St Petersburg Russia, Managed by our Russian partner charity MBOO Venik. MBOO Venik regularly advises us how much money is required to run the house and look after the residents who live there. These costs are agreed by the trustees and the chairman acts in liaison with Russian colleagues and arranges periodic transfers of money.
- ii) Helping children suffering from leukaemia and other life-threatening diseases. The trustees agree annual contributions which are sent direct to hospitals or to other charities. The chairman implements these decisions.
- iii) Supporting the Anita Goulden Trust with grants.

The trustees of Venik Trust take the opportunity to thank the many colleagues who help our work, particularly Dr. Alla Polyakova (our Honorary President) and Dr. Elena Fedorova, two of the trustees of MBOO Venik and the other carers and professionals who look after the residents in Russia.

We record with great sadness the death of Olga Evgenievna Podlestnykh on 8/2/2022. She was a gifted musician and over 25 years she inspired our residents and instilled in them a love of music. We will miss her greatly.

RISK ASSESSMENT

1. The major risks to which the charity is exposed, as identified by the trustees, have been reviewed and procedures established to manage those risks. Some of these require on-going work, for instance the long-term continuity of the charity and minimising its current dependence on key personnel. In addition, risk assessment and management are discussed with our Russian colleagues in MBOO Venik.
2. Currencies: the charity transfers £ sterling (for conversion into roubles) to Russia. As the costs of the house are paid in roubles the exchange rate is material to our costs, and the trustees keep the exchange rate constantly under review.
3. Covid-19. Safety is of course is our prime concern. As at July 2022, none of our residents or their carers has fallen ill with the virus.

Objectives and activities

The objects of the charity as set out in its governing documents are:

- The relief of children and adults with facial disfigurements and other disabilities.
- The advancement of education of parents and other persons in acceptance of those conditions, in the Russian Federation, particularly those in orphanages and generally those in need elsewhere in the world, by such means as are charitable at law.

In furtherance of these objectives, the Trust is supporting a Russian charity, MBOO Venik. In 1997 MBOO Venik purchased a house in St. Petersburg with money donated by the Venik Trust. It arranged for children suffering from facial or physical disabilities, who had been abandoned and were living in Russian institutions, to move into the house in 1998. Since that time MBOO Venik has managed the house and looked after the residents who live there, with funds provided by the UK Venik Trust.

From 2019, we restarted support for the **Anita Goulden Trust**. During this year we also made a grant to the charity **Face Equality International** which aims to attract NGOs, charities and support groups which seek to improve the lives of people with facial differences and their families by providing direct support to and/or directly advocating for them and which are interested to promote the campaign for 'face equality'.

The Venik Trust

Trustees' Annual Report *(continued)*

Year ended 30 November 2021

Public Benefit

This trustees' annual report is for an international charity operating in the area of child health. It meets the public benefit reporting requirements by:

- ✓ Including a statement that the trustees have had regard to the Commission's general guidance on public benefit.
- ✓ Describing its activities undertaken to further its charitable purposes for the public benefit.

The reporting narrative demonstrates that the trust is established for purposes which are for the public benefit and explains how the trustees have operated the charity in furtherance of these purposes. In particular, the report provides a summary of the objects and describes the benefits its activities bring to children's health.

The Venik Family Home in Yaroslavsky Prospekt, St. Petersburg

The objective has been to create a home in which children, formerly living in orphanages, could live in a loving family environment. The scale of the orphanage problem is huge and much too large for individual charities to accommodate all those affected. However, by operating the existing home, Venik aims to establish the conditions under which other such homes can be run and, hopefully, to demonstrate that love and individual attention can make a worthwhile improvement to these children's lives. 2021 was a further year of progress for the residents who are living in the Yaroslavsky house and those who are now living independently. We do not publish photographs or biographical details of our residents out of respect for their privacy.

Achievements and performance

During the year the charity made charitable grants totalling £107,680 (2020 £44,504)

Financial review

As at the 30th November 2021 the charity has net assets amounting to £2,518,334 (2020 £2,413,975)

The trustees' annual report was approved on 5th July 2022 and signed on behalf of the board of trustees by:

R G Seddon
Trustee

V Seddon
Trustee

The Venik Trust

Independent Examiner's Report to the Trustees of The Venik Trust

Year ended 30 November 2021

I report to the trustees on my examination of the financial statements of The Venik Trust ('the charity') for the year ended 30 November 2021.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

John Brimecome FCCA
Independent Examiner

Highland House
Albert Drive
Burgess Hill
West Sussex
RH15 9TN



6th July 2022

The Venik Trust

Statement of Financial Activities

Year ended 30 November 2021

		2021		2020
	Note	Unrestricted funds £	Total funds £	Total funds £
Income and endowments				
Donations and legacies	4	1,625	1,625	225
Investment income	5	113,408	113,408	119,217
Total income		<u>115,033</u>	<u>115,033</u>	<u>119,442</u>
Expenditure				
Expenditure on charitable activities	6,7	113,111	113,111	39,782
Total expenditure		<u>113,111</u>	<u>113,111</u>	<u>39,782</u>
Net gains/(losses) on investments	9	102,437	102,437	(110,980)
Net income/(expenditure) and net movement in funds		<u>104,359</u>	<u>104,359</u>	<u>(31,320)</u>
Reconciliation of funds				
Total funds brought forward		2,413,975	2,413,975	2,445,295
Total funds carried forward		<u>2,518,334</u>	<u>2,518,334</u>	<u>2,413,975</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 8 to 15 form part of these financial statements.

The Venik Trust

Statement of Financial Position

30 November 2021

	Note	2021 £	2020 £
Fixed assets			
Investments	13	2,208,621	2,330,960
Current assets			
Debtors	14	4,740	24,180
Cash at bank and in hand		304,973	58,835
		<u>309,713</u>	<u>83,015</u>
Net current assets		<u>309,713</u>	<u>83,015</u>
Total assets less current liabilities		<u>2,518,334</u>	<u>2,413,975</u>
Funds of the charity			
Unrestricted funds		<u>2,518,334</u>	<u>2,413,975</u>
Total charity funds	15	<u>2,518,334</u>	<u>2,413,975</u>

These financial statements were approved by the board of trustees and authorised for issue on 5th July 2022, and are signed on behalf of the board by:

R G Seddon
Trustee

V Seddon
Trustee

The notes on pages 8 to 15 form part of these financial statements.

The Venik Trust

Statement of Cash Flows

Year ended 30 November 2021

	2021 £	2020 £
Cash flows from operating activities		
Net income/(expenditure)	104,359	(31,320)
<i>Adjustments for:</i>		
Net gains/(losses) on investments	(204,874)	221,960
Dividends, interest and rents from investments	(73,206)	(40,179)
Other interest receivable and similar income	(40,202)	(79,038)
<i>Changes in:</i>		
Trade and other debtors	(1,550)	—
Cash generated from operations	(215,473)	71,423
Interest received	61,192	68,166
Net cash (used in)/from operating activities	<u>(154,281)</u>	<u>139,589</u>
Cash flows from investing activities		
Dividends, interest and rents from investments	73,206	40,179
Purchases of other investments	(1,846,067)	(642,487)
Proceeds from sale of other investments	2,173,280	504,432
Net cash from/(used in) investing activities	<u>400,419</u>	<u>(97,876)</u>
Net increase in cash and cash equivalents	246,138	41,713
Cash and cash equivalents at beginning of year	58,835	17,122
Cash and cash equivalents at end of year	<u>304,973</u>	<u>58,835</u>

The notes on pages 8 to 15 form part of these financial statements.

The Venik Trust

Notes to the Financial Statements

Year ended 30 November 2021

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Up Marden Farm, Chichester, West Sussex, PO18 9JR.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the statement of financial activities.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

The Venik Trust

Notes to the Financial Statements *(continued)*

Year ended 30 November 2021

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

The Venik Trust

Notes to the Financial Statements *(continued)*

Year ended 30 November 2021

3. Accounting policies *(continued)*

Investments in associates

Investments in associates accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in associates accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value taken through income or expenditure. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the associate arising before or after the date of acquisition.

Investments in joint ventures

Investments in jointly controlled entities accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in jointly controlled entities accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value taken through income or expenditure. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the joint venture arising before or after the date of acquisition.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

The Venik Trust

Notes to the Financial Statements *(continued)*

Year ended 30 November 2021

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Donations and legacies

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Donations				
Donations received	75	75	225	225
Gifts				
Gift aid	1,550	1,550	—	—
	<u>1,625</u>	<u>1,625</u>	<u>225</u>	<u>225</u>

The Venik Trust

Notes to the Financial Statements *(continued)*

Year ended 30 November 2021

5. Investment income

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Income from listed investments	73,206	73,206	40,179	40,179
Other interest receivable	40,202	40,202	79,038	79,038
	<u>113,408</u>	<u>113,408</u>	<u>119,217</u>	<u>119,217</u>

6. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
MBOO Venik	65,000	65,000	–	–
Anita Goulden Trust	32,680	32,680	34,304	34,304
Misc. Donations	10,000	10,000	10,000	10,000
Support costs	5,431	5,431	(4,522)	(4,522)
	<u>113,111</u>	<u>113,111</u>	<u>39,782</u>	<u>39,782</u>

7. Expenditure on charitable activities by activity type

	Grant funding of activities £	Support costs £	Total funds 2021 £	Total fund 2020 £
MBOO Venik	65,000	–	65,000	–
Anita Goulden Trust	32,680	–	32,680	34,304
Misc. Donations	10,000	–	10,000	10,000
Governance costs	–	5,431	5,431	(4,522)
	<u>107,680</u>	<u>5,431</u>	<u>113,111</u>	<u>39,782</u>

8. Analysis of grants

	2021 £	2020 £
Grants to institutions		
MBOO Venik	65,000	–
Anita Goulden Trust	32,680	34,504
Face Equality	10,000	10,000
	<u>107,680</u>	<u>44,504</u>
Total grants	<u>107,680</u>	<u>44,504</u>

9. Net gains/(losses) on investments

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Gains/(losses) on listed investments	102,437	102,437	(110,980)	(110,980)
	<u>102,437</u>	<u>102,437</u>	<u>(110,980)</u>	<u>(110,980)</u>

The Venik Trust

Notes to the Financial Statements *(continued)*

Year ended 30 November 2021

10. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

	2021	2020
	£	£
Foreign exchange differences	<u>(2,057)</u>	<u>(11,811)</u>

11. Staff costs

The average head count of employees during the year was Nil (2020: Nil).

No employee received employee benefits of more than £60,000 during the year (2020: Nil).

12. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees

13. Investments

	Listed investments £
Cost or valuation	
At 1 December 2020	2,330,960
Additions	1,846,067
Disposals	(2,070,843)
Fair value movements	102,437
At 30 November 2021	<u><u>2,208,621</u></u>
Impairment	
At 1 December 2020 and 30 November 2021	
Carrying amount	
At 30 November 2021	<u><u>2,208,621</u></u>
At 30 November 2020	<u><u>2,330,960</u></u>

All investments shown above are held at valuation.

Financial assets held at fair value

Investments are included in the accounts at the market value.

The Venik Trust

Notes to the Financial Statements *(continued)*

Year ended 30 November 2021

14. Debtors

	2021	2020
	£	£
Prepayments and accrued income	3,190	24,180
Other debtors	1,550	–
	<u>4,740</u>	<u>24,180</u>

15. Analysis of charitable funds

Unrestricted funds

	At 1 December 2020 £	Income £	Expenditure £	Gains and losses £	At 30 November 2021 £
General funds	1,413,975	115,033	(113,111)	102,437	1,518,334
Venik family home	1,000,000	–	–	–	1,000,000
	<u>2,413,975</u>	<u>115,033</u>	<u>(113,111)</u>	<u>102,437</u>	<u>2,518,334</u>

	At 1 December 2019 £	Income £	Expenditure £	Gains and losses £	At 30 November 2020 £
General funds	1,445,295	119,442	(39,782)	(110,980)	1,413,975
Venik family home	1,000,000	–	–	–	1,000,000
	<u>2,445,295</u>	<u>119,442</u>	<u>(39,782)</u>	<u>(110,980)</u>	<u>2,413,975</u>

16. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2021 £
Investments	2,208,621	2,208,621
Current assets	309,713	309,713
Net assets	<u>2,518,334</u>	<u>2,518,334</u>

	Unrestricted Funds £	Total Funds 2020 £
Investments	2,330,960	2,330,960
Current assets	83,015	83,015
Net assets	<u>2,413,975</u>	<u>2,413,975</u>

The Venik Trust

Notes to the Financial Statements *(continued)*

Year ended 30 November 2021

17. Analysis of changes in net debt

	At 1 Dec 2020 £	Cash flows £	At 30 Nov 2021 £
Cash at bank and in hand	<u>58,835</u>	<u>246,138</u>	<u>304,973</u>