

Charity Registration No. 1123298

Company Registration No. 06516762 (England and Wales)

VOVOS BETTER WORLD FUND
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2021

VOVOS BETTER WORLD FUND

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VOVOS BETTER WORLD FUND

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr Josué Tanaka Mrs Noemi Kopp
Secretary	Private Company Registrars Limited
Charity number	1123298
Company number	06516762
Registered office	The Courtyard Shoreham Road Upper Beeding Steyning West Sussex BN44 3TN
Independent examiners	TC Group The Courtyard Shoreham Road Upper Beeding Steyning West Sussex BN44 3TN
Investment advisors	Banque Lombard Odier & Cie SA Utoquai 31 Zurich 8008 Switzerland

VOVOS BETTER WORLD FUND

TRUSTEES' REPORT (INCORPORATING THE DIRECTORS' REPORT)

FOR THE YEAR ENDED 28 FEBRUARY 2021

The Trustees present their report and accounts for the year ended 28 February 2021.

The accounts have been prepared in accordance with the accounting policies set out in note 2 to the accounts and comply with the company's Memorandum and Articles of Association, the Companies Act 2006 the Charities Act 2011 and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)).

Structure, governance and management

The organisation is a charitable company, limited by guarantee, incorporated and registered as a charity on 28 February 2008 with the Charity Commission. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to each contribute an amount not exceeding £1.

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

Mr Josué Tanaka

Mrs Noemi Kopp

None of the Trustees has any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Methods of recruiting, appointing and training new Trustees

The Directors of the company are also Charity Trustees for the purposes of charity law and under the company's Articles are known as members of the Management Committee. The members of the Management Committee are elected at the Annual General Meeting (AGM) according to the requirements of the Memorandum and Articles of Association. At each Annual General Meeting (AGM) the Chairman of the Trustees shall be elected by the Trustees from their number for a term not exceeding one year.

When considering co-opting Trustees, the Board has regard for the requirement for any specialist skills needed.

Induction

New Trustees undergo an induction meeting with Mr Josué Tanaka to brief them on the charity and the context within which it operates and their legal obligations under charity and company law.

All Trustees give of their time freely, and no remuneration was paid in the year or the prior year.

Organisational structure

The Trustees have delegated the day to day administration of the investment funds to Banque Lombard Odier & Cie SA who have execution powers only.

VOVOS BETTER WORLD FUND

TRUSTEES' REPORT (INCORPORATING THE DIRECTORS' REPORT) – CONTINUED

FOR THE YEAR ENDED 28 FEBRUARY 2021

Related Parties

During the year there were no transactions with related parties.

Risk management

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

Vovos Better World Fund consider that the main areas of risk to the charity are:

- the current economic situation (including the effect of the global COVID-19 pandemic) and its impact on the charity's income in respect of its asset base and other sustainable funding streams; and
- loss of key personnel.

In order to mitigate investment risk the charity operates a highly diversified investment portfolio. The personnel of the charity comprise the Board of Trustees, whose performance is assessed regularly. Induction and training procedures provided by the charity ensure that the Trustees are adequately trained to perform the governance function required by the charity.

The Trustees have also considered the other key risks the charity is exposed to and provide the following comments:

- price risk: the charity's income is dependent on the performance of its quoted investments. The diversified nature of its portfolio helps mitigate and changes in price of individual equity instruments;
- credit risk: the charity obtains the vast majority of its realised income in the form of interest and dividends which are paid in a timely manner; and
- liquidity and cash flow risks: the charity maintains free cash reserves of an equal or greater amount than its current liabilities. Expenditure on charitable activities is made once due consideration has been made of the charity's cash position by the Board of Trustees.

Objectives and activities

Vovos Better World Fund is a Development Trust which was founded in February 2008 as a Company Limited by Guarantee and as a registered Charity for the granting of funds to individuals or organisations in accordance with the purpose of the charity which cover environmental, social and cultural objectives.

Public benefit

In accordance with our duties as stated in section 17(5) of the 2011 Charities Act, we have considered the guidance provided by the Charity Commission in regard to public benefit. This public benefit has been demonstrated by the activities undertaken since the inception of the charity outlined above.

Achievements and performance

During the year the Trustees made charitable distributions to institutions and made grants totalling £25,056 (2020: £43,127).

Income from investments amounted to £34,925 (2020: £51,523) (including tax recoverable) during the year.

The Trustees intend to continue providing adequate resources to fund charitable payments for the foreseeable future. In view of this, the results shown in the statement of financial activities and the balance sheet is considered satisfactory.

Financial review

The Charity has generated a surplus for the year of £165,875 (2020: £219,508). This includes an unrealised gain on investments of £158,084 (2020: £219,754) and a realised gain on disposal of investments of £79,740 (2020: £25,481).

VOVOS BETTER WORLD FUND

TRUSTEES' REPORT (INCORPORATING THE DIRECTORS' REPORT) – CONTINUED

FOR THE YEAR ENDED 28 FEBRUARY 2021

Having examined the Charity's requirement for reserves in the light of the main risks to the organisation, the Board has established a policy whereby the grants given in future periods are maintained by the realised returns made on investments.

At the year end the Charity's reserves were tied into investments. The Board will closely monitor the reserves position to ensure they meet future obligations. At the year end, free reserves totalled £3,186,987 (2020: £3,021,112).

Grant expenditure is linked to investment income generated. It is the policy of the Charity that the capital investment base is maintained in order for the charity to generate future investment income which can be used for further public benefit. The Trustees consider that reserves at the current 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.

Plans for the future

The charity intends to continue to provide grants for environmental, social and cultural charitable organisations both within the UK and internationally. This is already evidenced by donations made in the reporting year ending 28 February 2022.

Trustees' responsibilities in relation to the accounts

The Trustees, who are also the directors of Vovos Better World Fund 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.

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.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

On behalf of the Board of Trustees

Mr Josué Tanaka

Trustee

Dated:

VOVOS BETTER WORLD FUND

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF VOVOS BETTER WORLD FUND

I report on the accounts of the company for the year ended 28 February 2021, which are set out on pages 6 to 13.

Respective responsibilities of Trustees and examiner

As the Charity's Trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

I confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants, which is one of the listed bodies.

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

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities.

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.

Mark Cummins FCCA FCIE

On behalf of TC Group

The Courtyard
Shoreham Road
Upper Beeding, Steyning
West Sussex
BN44 3TN
Dated:

VOVOS BETTER WORLD FUND

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING THE INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 28 FEBRUARY 2021

		2021	2020
		Total	Total
	Notes	£	£
INCOME			
Investment income		<u>34,925</u>	<u>51,523</u>
Total income		<u>34,925</u>	<u>51,523</u>
EXPENDITURE			
<i>Expenditure on raising funds:</i>	4		
Foreign exchange gains/(losses)		36,194	5,256
Investment management costs		<u>41,069</u>	<u>25,867</u>
		<u>77,263</u>	<u>31,123</u>
<i>Expenditure on charitable activities:</i>	4		
Grants	5	25,056	43,127
Operation of the Better World Fund		<u>4,555</u>	<u>3,000</u>
		<u>29,611</u>	<u>46,127</u>
Total expenditure		<u>106,874</u>	<u>77,250</u>
Net income before gains/(losses)		(71,949)	(25,727)
Net gains/(losses) on investments	8	<u>237,824</u>	<u>245,235</u>
Net income and net movement in funds for the year		165,875	219,508
RECONCILIATION OF FUNDS			
Total funds brought forward		<u>3,021,112</u>	<u>2,801,604</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>3,186,987</u></u>	<u><u>3,021,112</u></u>

All income and expenditure was unrestricted in the current and previous accounting period. The results of the year derive from continuing activities and there are no gains or losses other than those shown above.

The notes on pages 9 to 13 form part of these accounts.

VOVOS BETTER WORLD FUND

BALANCE SHEET

AS AT 28 FEBRUARY 2021

	Notes	£	2021 £	£	2020 £
Fixed assets					
Investments	8		2,939,764		3,022,650
Current assets					
Cash at bank and in hand	9	255,368		10,096	
Debtors	10	855		266	
		256,223		10,362	
Creditors: amounts falling due within one year	11	(9,000)		(11,900)	
Net current assets/(liabilities)			247,223		(1,538)
Total assets less current liabilities			3,186,987		3,021,112
Income funds					
Unrestricted funds			3,186,937		3,021,112
			3,186,937		3,021,112

The charity is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006 for the year ended 28 February 2021. No member of the charity has deposited a notice, pursuant to section 476, requiring an audit of these accounts.

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with sections 386 and 387 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Statement of Recommended Practice applicable to charities in accordance with FRS 102.

The accounts were approved by the Board on

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Mr Josué Tanaka
Trustee

Company Registration No. 06516762

The notes on pages 9 to 13 form part of these accounts.

VOVOS BETTER WORLD FUND

CASH FLOW STATEMENT

AS AT 28 FEBRUARY 2021

	Notes	2021 £	2020 £
Cash flows from operating activities	12	(38,775)	(15,887)
Cash flows from investing activities			
Purchase of investments	8	(926,576)	(836,993)
Proceeds from sale of investments		1,247,286	780,402
Finance costs		(469)	(350)
Foreign exchange gain/loss		(36,194)	(5,256)
Net cash from investing activities		284,047	(62,197)
Increase in cash and cash equivalents		245,272	(78,804)
Cash and cash equivalents at start of year		10,096	88,180
Cash and cash equivalents at end of year		255,368	10,096

All cash is cash at bank and in hand.

VOVOS BETTER WORLD FUND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28 FEBRUARY 2021

1. Statutory information

The charity is a company limited by guarantee, incorporated in the United Kingdom. The registered office of the charity is disclosed in the Legal and Administrative Information. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The charity is under the control of the board of trustees.

2. Accounting policies

2.1 Basis of preparation

The financial statements have been prepared on behalf of the board of trustees in accordance with Accounting and Reporting by Charities: 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) (effective 1 January 2015) – (Charities SORP (FRS 102), the Companies Act 2006 and the Charities Act 2011.

In view of the charity's positive cash and reserves positions, the charity has no material uncertainties in relation to its ability to continue operating and as such the accounts have been prepared on a going concern basis. Assets and liabilities are initially recognised at their historical cost unless otherwise stated in the accounting policies and notes.

The functional currency of the charity is pounds sterling. Items contained within the accounts are rounded to the nearest pound.

2.2 Income

All income is included in the Statement of Financial Activities when the charity is legally entitled to the income, its receipt is probable and the amount can be quantified with reasonable accuracy. All income is measured net of any discounts and as the charity's activities are exempt from VAT the application of VAT and other sales taxes is not required.

Investment income comprises dividends and interest on listed investments and is accounted for on a receivable basis.

2.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Irrecoverable VAT is included with the item of expenditure to which it relates. Expenditure is classified under the following activity headings:

Expenditure on raising funds comprises the direct and indirect costs of running the charity's investment portfolio.

Expenditure on charitable activities includes the awarding of grants to beneficial third parties, and the governance costs associated with the continuing operation of the Better World Fund.

2.4 Interest payable

Interest on investment funds is included when payable and the amount can be measured reliably by the charity.

VOVOS BETTER WORLD FUND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2021

2. Accounting policies (continued)

2.5 Foreign currency translation

The charity's presentation currency is the Pound Sterling. Transactions occurring in foreign currency throughout the year have been translated using publicly available average exchange rates.

Monetary assets and liabilities denominated in foreign currencies are translated into Sterling at the rates of exchange ruling at the balance sheet date. All foreign currency differences are recognised in Expenditure on raising funds.

2.6 Fund accounting

Unrestricted funds – these are used on the general charitable objectives of the charity. All income and expenditure in both 2021 and 2020 was unrestricted.

2.7 Fixed asset investments

Investments predominantly comprise simple publically traded debt and equity financial instruments. These are initially measured at transaction value, with any subsequent changes to their fair value recognised in the Statement of Financial Activities.

The charity also invests in forward contract derivatives. An accordance with Section 12 of FRS 102 these are initially measured at their fair value, with any movements in value recognised in the Statement of Financial Activities.

2.8 Debtors

Fixed asset investment dividends receivable are measured at the settlement amount due.

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of opening the deposit or similar account.

2.10 Creditors

Creditors are recognised when there is a present obligation arising from a past event, the settlement of which will likely result in resources embodying economic benefits being transferred from the charity. Accruals are recognised at their settlement amount once a reliable measurement can be obtained.

2.11 Estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised.

The trustees do not consider that there are any critical estimates or areas of judgement that need to be brought to the attention of the readers of the financial statements.

3. Taxation

The company is registered as a charity and all of its income falls within the exemptions under Part 11 of the Corporation Tax Act 2010.

VOVOS BETTER WORLD FUND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2021

4. Expenditure

	Other costs £	Grant funding £	Total 2021 £	Total 2020 £
Raising funds				
Foreign exchange losses	36,194	-	36,194	5,256
Investment management costs	<u>41,069</u>	<u>-</u>	<u>41,069</u>	<u>25,867</u>
Total	77,263	-	77,263	31,123
Charitable activities				
Grant funding of activities (note 5)	469	25,056	25,525	43,127
Operation of the Better World Fund	<u>4,086</u>	<u>-</u>	<u>4,086</u>	<u>3,000</u>
Total	4,555	25,056	29,611	46,127
	<u>81,818</u>	<u>25,056</u>	<u>106,874</u>	<u>77,250</u>

All expenditure incurred on the operation of the Better World Fund in the current and previous accounting period comprises governance costs. No further support costs were incurred. Governance costs include payments to the independent examiners of £3,000 (2020: £2,460) in respect of independent examination fees and £1,800 (2020: £1,090) in respect of other professional services.

5. Grants payable

	Total 2021 £	Total 2020 £
Women for Women International	3,008	3,508
Alfanar UK	4,008	4,508
Save the Children	1,508	3,008
Photovoice	-	1,008
The Winchester Project	5,008	3,008
International Rescue Committee	4,508	4,508
Coram	2,008	1,508
Union of Concerned Scientists	-	1,925
Planned Parenthood of America	-	2,690
Factum Foundation	-	17,106
The Felix Project	2,500	-
The Maggie Keswick Jencks Cancer Caring Centres Trust	2,508	-
	<u>25,056</u>	<u>42,777</u>

During the current and previous accounting period all grants payable were made to institutions.

VOVOS BETTER WORLD FUND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2021

6. Trustees

None of the Trustees (or any persons connected with them) received any remuneration or reimbursements of expenses during the year (2020: none).

7. Employees

There were no employees during the year (2020: none).

8. Fixed asset investments

	Quoted investments £
Market value at 1 March 2020	3,022,650
Acquisitions at cost	926,576
Disposals at opening market value	(1,167,546)
Movement in market valuation	<u>158,084</u>
Market value at 28 February 2021	<u>2,939,764</u>
Historical cost:	
At 28 February 2021	<u>2,302,146</u>
At 1 March 2020	<u>2,908,151</u>
Net gains on investments:	
	2021 2020
	£ £
Gains on disposal of listed investments	79,740 25,481
Unrealised gains on listed investments (above)	<u>158,084</u> 219,754
	<u>237,824</u> <u>245,235</u>

VOVOS BETTER WORLD FUND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2021

9. Cash at bank and in hand

	2021 £	2020 £
Cash held at investment brokers	<u>255,368</u>	<u>10,096</u>

10. Debtors

	2021 £	2020 £
Accrued income	<u>855</u>	<u>266</u>

11. Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	-	3,000
Accruals	<u>9,000</u>	<u>8,900</u>
	<u>9,000</u>	<u>11,900</u>

12. Net cash outflow from operating activities

	2021 £	2020 £
Reconciliation to changes in resources		
Net income/(expenditure)	165,875	219,508
Financing costs	469	350
Gain on sale of investments	(79,740)	(25,481)
Foreign exchange loss	36,194	5,256
Unrealised gain on investments	(158,084)	(219,754)
Increase in debtors	(589)	(266)
Increase/(decrease) in creditors	(2,900)	4,500
	<u>(38,775)</u>	<u>(15,887)</u>

13. Related party transactions

There were no related party transactions during 2021 (2020: none).