THE MIKHEEV CHARITABLE TRUST

England & Wales · Charity number 1162591

Details

Status	Registered
Legal form	Trust
Registered	2015-07-09
Register	View on the Charity Commission register

Contact

Address	c/o Withers LLP 20 Old Bailey London EC4M 7AN
Phone	020 7597 6000

Activities

Objects: THE TRUSTEES SHALL HOLD THE CAPITAL AND INCOME OF THE TRUST FUND UPON TRUST TO APPLY THE INCOME, AND ALL OR SUCH PART OR PARTS OF THE CAPITAL, AT SUCH TIME OR TIMES AND IN SUCH MANNER TO, OR FOR THE BENEFIT OF, SUCH EXCLUSIVELY CHARITABLE OBJECTS AND PURPOSES IN ANY PART OF THE WORLD AS THE TRUSTEES MAY IN THEIR DISCRETION THINK FIT.

Activities: The charity has makes donations in line with its charitable objects and purposes after generating income from investments.

Classification

- **How:** Makes Grants To Organisations
- **What:** General Charitable Purposes
- **Who:** Other Charities Or Voluntary Bodies

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-04-05	£396,125	£505,371	-	-
2024-04-05	£343,287	£471,424	-	-
2023-04-05	£346,916	£270,300	-	-
2022-04-05	£322,438	£162,956	-	-
2021-04-05	£344,261	£356,718	-	-

Trustees

Name	Role	Appointed
LEV VICTOR MIKHEEV	Chair	2015-05-14
Dr Adrian Weller		2015-05-14
KATERINA WOOLHOUSE		2015-05-14
NATALIA MIKHEEV		2015-05-14

Accounts

Charity registration number 1162591 (England and Wales)

THE MIKHEEV CHARITABLE TRUST

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2025

THE MIKHEEV CHARITABLE TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr L Mikheev (Founder Trustee) Mrs N Mikheev Mr A V Weller Mrs K Woolhouse	
Charity registration	England and Wales	1162591
Principal office	c/o Withers LLP 20 Old Bailey LONDON EC4M 7AN	
Auditor	Craufurd Hale Audit Services Limited C/O Craufurd Hale Group Ground Floor, Arena Court Crown Lane MAIDENHEAD SL6 8QZ	
Bankers	WISE 1st Floor, Worship Square 65 Clifton Street London EC2A 4JE	
Solicitors	Withers LLP 20 Old Bailey London EC4M 7AN	
Investment managers	W1M 16 Babmaes Street London W1T 3JJ Bridges Fund Management 38 Seymour Street London W1H 7BP	

THE MIKHEEV CHARITABLE TRUST

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THE MIKHEEV CHARITABLE TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 5 APRIL 2025

The trustees present their annual report and financial statements for the year ended 5 April 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "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)".

Objectives and activities

The objects of the charity allow the trustees to apply the income and capital of the charity for such charitable purposes as they may, in applying their discretion, from time to time decide. This reflects the trustees' interest in a wide variety of charitable projects and purposes, and their expectation that their philanthropic aims may grow and develop over time.

Public benefit

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Grant making policy

The charity furthers these objects by making grants to exclusively charitable projects, in line with the charity's grant making policy. The charity focuses in particular on projects aimed at the advancement of education, science, religion and the arts. Grants are generally to be made to established charitable organisations with a track record for delivering benefit to the public.

The trustees' aim in making charitable grants in these areas is to:

- Increase the education of the public through its enjoyment of the arts, including but not limited to increasing the access of individuals to artistic works and the general edification and enjoyment of audiences.

- To advance the education of the public in areas relevant to policy making and thereby to improve the conditions generally of communities affected by such policies.

- To attract extraordinary talent to centres of excellence in the UK, which the trustees believe ultimately improve the lives of a vast number of ordinary people. These centres of excellence utilise synergy to magnify productivity, and therefore exert great influence on the development of society. The UK is blessed particularly with a large number of such productive centres and the trustees wish to support them.

- To support projects at the top academic institutions in the UK aimed at bridging the gap between cutting edge research and policy making.

- To support the Science of Ageing and Longevity. The rapid increase in life expectancy in developed and middle-income countries has made the current medical model increasingly unable to cope with the burden of chronic, rather than acute, disease. Advances in Geoscience show promise of resolving this conundrum.
- To supports certain religious entities and their own charitable endeavors.

- In light of extraordinary stress put on vulnerable segments of the population by the Covid19 pandemic, the trustees have resolved to extend grants to provide direct support to those most affected.

In order to fund such grant making, the charity has focused on establishing and maintaining investments to provide stable income and moderate capital growth.

The trustees do not invite donation applications from charities generally. The trustees however expect to draw on their own experience and knowledge (and their own research when necessary) of the charitable organisations operating in the areas which they wish to support to satisfy themselves that donations are appropriately targeted.

Activities for the year
During this period, and in keeping with the aims set out in the grant making policy, the Board approved donations totaling £389,584 (2024: £420,834 as restated) as set out in note 7. In making these donations the trustees confirm that they have referred to the Charity Commission's general guidance on the public benefit.

In keeping with the plan to establish and maintain good quality investments sufficient to fund donations to established charities, and in drawing on the Board's collective experience and knowledge of the financial markets and property market, the Board holds the following investments:

(1) 14 units in Cambridge, let out to Citystay, a provider of serviced apartments. A tenancy agreement with Citystay came to an end in May 2025, and has been replaced by a new 5 year lease agreement with virtually identical terms but increased rent (as described below);

(2) In maintaining a property investment approach, but focusing on diversification, the Board continues to subscribe to units in the Bridges Property Alternative Unit Trust;

(3) As the Bridges Property Alternative Unit Fund has distributed most of the charity's original investment by now, the trustees invested in Tamani Ltd, a small wind farm project in Scotland. This investment will be providing an attractive high real return profile as well as aligning with social goals by facilitating the transition away from the fossil fuels in the UK.; and

(4) In investing in listed securities as managed by London and Capital, some of which is in US dollars in order to fund any US grants activities.

Details of the above investments are set out in notes 15 and 16.

The Board believes that these investments, together with others that the Board may from time to time consider suitable (and which are in keeping with the investment policy) are expected to provide the good quality financial returns that will in turn enable the charity to fund donations to other established charitable organisations involved with (but not necessarily limited to) the advancement of religion, education and science, and the arts.

Achievements and performance
Significant activities and achievements against objectives
In the reporting period, the trustees made grants totaling £389,584 (2024: £420,834 as restated) to established charitable organisations with a track record for delivering benefit to the public (see note 7).

Income
The charity enjoyed a regular income stream from the long-term lease of Midsummer Mews, Napier Street, Cambridge, providing the core of the Trust income. Rental income for the year ended 5 April 2025 amounted to £246,687 (2024: £226,353).

As mentioned above and previously, by now Bridges Property Alternative Unit Fund has distributed most of its investment, with the remaining holdings dominated by one large project, which the Fund management is looking to realise at the most favourable value. The trustees therefore expect the cash flow from Bridges to be concentrated in one large payment coming through in the next 12 months. This will be the also the time frame over which the Tamani project will complete the construction phase and start producing income.

Donations
In line with the grant making policy, the trustees are committed to furthering education. They continue to support The Princes Teaching Institute (PTI) and Lev and Natalia Mikheev remain actively involved. The PTI supports professional development for teachers. In addition, the trustees have funded a bursary at St Paul's School, with which the Mikheev family have a long-standing association. The PTI received £12,500 and St Paul's School £29,238.

In the area of religion, the trustees continue to support Judaic institutions: the London School of Jewish Studies. A further donation of £5,000 was made to to Beth Shalom, the Holocaust Museum. The trustees have also donated £1,000 toward the fund to rebuild St Mark's of Hamilton Terrace, which was badly damaged by a fire.

The trustees also remain of the view the Horn Fellowship at Cambridge University is a centre of excellence and accordingly have again made a donation of £5,000.

In furtherance of the trustees' commitment to support longevity science, a donation of £2,500 was made to Fondazione Valter Longo, to support research into intermittent dieting in cancer patients, where joint application with chemotherapy and immunotherapy was showing positive results. The Fondazione treats cancer patients pro-bono.

Also in support of longevity science, a major new project is being financed by the trustees with Prof. Dan Belsky and team at The Robert Butler Columbia Aging Center. The project would focus on developing new approaches to estimating Biological Age - a crucial missing component in any systematic, complex anti-ageing interventions. The Agreement with Columbia University had been signed 17 July 24 for a total of $385,351. This would be spread equally over a 3yr period with each tranche being due by 31 Dec '24/'25/'26 respectively. The first tranche of $125,032 was paid in December 2024.

A $50,000 donation was made to the University of Chicago to the Division of Social Sciences as part of a multi-year commitment until 2028. The gift shall be used for stipends for research assistants, results support for PhD students and expenses associated with the Fellows. Further support was provided in the sum of $10,000 to the Dean's Fund in the Social Sciences and $1,000 to the Visiting Committee Fellowship.

In addition, the charity continues regular donations to the Winch, a North London community charity. The Winch is active in a number of areas including (1) supporting young people by coordinating interaction with school, social workers and other agencies and (2) encouraging investment in community infrastructure. Donations this year have totalled £12,000.

The trustees have continued to make donations to the Royal Opera House in the year totaling £8,400.

The trustees continue to support two food banks, the North Paddington Food Bank and Dalgarno Trust, with donations of £18,000 to each.

Financial review

Financial performance and position

A summary of the year's results can be found on page 13 of this report and accounts.

The accounts for the year ended 5 April 2025 show total income of £396,125 (2024: £343,827). The principal source of income consists of income generated by investments. The Trust will to continue to operate going forward on income generated from existing assets.

Expenditure during the year amounted to £505,371 (2024: £519,859 as restated) with the decrease in the year largely attributable to two multi-year grants in the prior year of £166,188 and £194,887 committed to St Paul's School and the University of Chicago, respectively. A multi-year grant was granted in the year to Columbia University totalling £299,230.

There was an overall net decrease in funds of £488,746 (2024: increase of £899,704 as restated) due to net expenditure before investment gains of £109,246 (2024: £176,572). The charity has reported a net loss on investments of £375,394(2024: net gain of £1,094,492). The gain on investments in the prior year was driven by a gain on the revaluation of the investment property of £976,000.

The charity holds all its funds as unrestricted funds, and at the balance sheet date, these totaled £7,227,074 (2024: £7,715,820 as restated) of which the largest component is the charity's investments which stood at £7,592,650 (2024: £7,947,917) at 5 April 2025.

Reserves policy

This charity is a grant-making charity, fully relying on investment income from its assets rather than external donations to fulfil its stated goals. In principle, all of its assets can be realised to meet unforeseen needs. In practice the property assets are quite illiquid, and the trustees would do their best to avoid a fire sale. However, the bond portfolio managed by London and Capital is liquid and the bond prices are relatively stable. If fully liquidated, the proceeds from this portfolio would cover 6-7 years of expected grants, eliminating any need for other reserves. The size of this investment is governed by the aggregate portfolio optimisation, rather than any need for such substantial reserves.

Therefore, the main consideration for the trustees is the amount of cash balances retained in the bank versus those invested in the bond portfolio. The trustees consider it prudent to keep those balances at slightly over 3 months of projected outlays (i.e. staff costs, anticipated grants and service provider fees), net of the rental and bond portfolio income. The cash balance at 5 April 2025 was £99,859 (2024: £139,211), split between cash at bank of £87,446 and cash held by investment managers of £12,413.

The trustees consider it prudent to maintain the current level of cash reserves and have decided not to reinvest the surplus.

THE MIKHEEV CHARITABLE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2025

Investment policy and performance
The trustees have made investments and commitments to invest with a view to securing the long-term sustainability of the charity. The trustees have formulated their policy on investment on the following principles:

- The investment objective is to generate a return of inflation plus 3.5% per annum over the long term, after expenses. This should allow the charity to at least maintain the real value of the assets, whilst funding annual expenditure in the region of 4% per annum.
- The trustees will consider the timing of returns and the charity's liquidity generally to ensure there are sufficient available assets to make charitable grants at an expected level of £100,000 - £200,000 per annum.

In considering and making investments, the trustees shall know, and act within, the charity's powers to invest and act solely in the best interests of the charity. The trustees will select investments that are appropriate for the charity, taking account of how suitable any investment is for the charity, including the investment type or class and the terms of the particular investment, the likely income and capital growth, and any other factors relevant to the investment.

The overall approach is for investments to achieve good quality returns for an acceptable level of risk over the long term. In making use of their collective knowledge, skill and experience when making investment decisions, the trustees have directed the charity to seek property investments where a medium level of risk is considered acceptable to achieve returns.

In the short to medium term, the trustees are looking to generate income of approximately £250,000 per annum from investments. The majority of this income will be available to donate to charitable organisations. A sum will also be retained to meet the day-to-day administration and investment management costs of operating the charity, which are not expected to exceed £85,000 (before any foreign exchange losses) in any given year. Such administrative costs include a fee payable to the managing agent of the Cambridge development (Bidwells), salary and health insurance costs for the Secretary to the trust, buildings insurance for the property, and legal and accounting fees.

The trustees acknowledge the nature of the investments. In selecting these, the trustees have taken appropriate professional advice with respect to property investment as well as drawing on their own knowledge of the property market. In doing so the trustees have regard for the social, environmental and ethical considerations of any investments to ensure they align these with the charity's own objectives.

The charity's investments are reviewed on a regular basis which includes the preparation of cash flows and budgets to consider the eventual return on investment as well as reviewing the performance of any appointed investment managers and whether any further diversification strategy is warranted.

The trustees confirm they have taken into account the Charity Commission guidance CC14: Charities and Investment Matters, in relation to making investments and aim to ensure that as far as possible they do not incur non-charitable expenditure by making any investments or loans that are not approved charitable investments or loans as defined in the Income Tax Act 2007 (and take any advice as needed in this regard).

The trustees are satisfied with the level of investment performance during the year ended 5 April 2025 and that it complied with the investment policy.

THE MIKHEEV CHARITABLE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2025

Risk
The trustees have assessed the major financial, operational and administrative risks to which the charity is exposed in the delivery of the charitable objectives as:

- The performance of investments – the risk of poor investment return represents the charity's major financial risk. The trustees consider that they effectively mitigate this risk by selecting good quality investments where a medium level of risk is considered acceptable to achieve sound regular returns. The trustees make such selections by making use of their collective knowledge and experience of investment matters generally, and property investments in particular, taking such advice as may be necessary in relation to particular investments. The trustees consider that they have made investments on sound terms (as an example, the income from the property investment is fixed known up front whilst arrangements have been entered into that mitigate the risk of inflation and the property standing unlet).

- Operational risk from ineffective grant making – operationally the charity's major risk is that grants are not effectively made for charitable purposes for the public benefit. The trustees mitigate this risk by making grants according to their grant making policy. This requires, amongst other things, that the trustees seek to satisfy themselves that each grant is made in furtherance of a charitable purpose that offers an identifiable benefit to the public or a significant section of the public. In addition they consider and regularly review the Charity Commission's guidance on public benefit. Although the charity may make grants to other organisations, the trustees further consider that their practice of making grants to UK registered or exempt charities, with a track record of delivering charitable projects for the public benefit, is an effective means of further mitigating this risk.

Structure, governance and management
Governing Document: Trust Deed dated 14 May 2015
Registered Charity No.: 1162591

The trustees who served during the year and up to the date of signature of the financial statements were:
Mr L V Mikheev
Mrs N Mikheev
Mr A V Weller
Mrs K Woolhouse

Appointment of trustees
The power of appointing new trustees is vested in the trustees. A trustee may be appointed or discharged by a resolution of a meeting of the trustees, provided that a memorandum declaring such appointment or discharge shall be signed as a deed, either at the meeting by the person presiding or in some other manner directed by the meeting and attested by two other persons present at the meeting.

A new trustee or new trustees may be appointed at any time (either by way of replacement or addition), and notwithstanding that the total number of trustees may exceed four but so that the total number of trustees shall at no time exceed seven. New trustees are selected with regard to the knowledge, skill and expertise appropriate for the effective administration of the charity and the delivery of the charitable objectives. New trustees are briefed on their legal obligations under charity and company law, on their role and responsibilities as trustees, the charity commission on public benefit, the contents of the governing document, the decision-making process, the business plans and the recent financial performance of the charity.

THE MIKHEEV CHARITABLE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2025

All trustees give of their time freely and no trustee was paid remuneration in the year. The trustees consider themselves as the key management of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis. Trustees are required to disclose all relevant interests and to withdraw from the decision-making process where a conflict of interest arises.

All decisions are taken collectively by the trustees in a validly convened meeting or in a written decision. The trustees additionally have the power to take unanimous decisions informally, provided they ratify the same at their next meeting.

Powers in relation to land
Subject to such restrictions imposed on them, and with such consents as may be required by law, the trustees shall have all the powers of an absolute beneficial owner in relation to the disposition, development and improvement of any land comprised in the Trust. The trustees shall not be bound to maintain any building or other structure on land comprised in the Trust or to preserve or repair any chattels comprised in the Trust.

The trustees may transfer land comprised in the Trust to such other charitable body or bodies, having objects the same as or similar to the objects, on such terms as the trustees shall in their discretion think fit.

Power to employ staff and pay for services
The trustees are empowered under the terms of the Trust Deed to employ any person or firm, not being a trustee, to manage or assist in managing the day-to-day running of the Trust or act as secretary. As above, they have not delegated any decision-making and take all decisions collectively.

Fundraising statement
The charity is solely funded from its investments and does not invite nor accept any external funds from the general public. The only examples of fundraising activities undertaken are discrete activities by trustees, such as in connection with participation in a sporting event, but none such has occurred in the last financial year. In such cases, only personal contacts of the trustees are contacted to invite small donations. Fundraising is not undertaken by anyone acting on the charity’s behalf, and no professional fundraiser or commercial participator carries out any fundraising activities. The trustees do not foresee any change to the charity’s approach to fundraising and consequently to do not presently subscribe to any fundraising standards or schemes.

Statement of trustees' responsibilities
The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements 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 of the charity for that year.

In preparing these financial statements, 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

THE MIKHEEV CHARITABLE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2025

The trustees' report was approved by the Board of Trustees.

Signed by:

Lev Mikheev

..........0722705EF7634D2...

Trustee

04-Feb-26 | 09:56 GMT

Date: ....

THE MIKHEEV CHARITABLE TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE MIKHEEV CHARITABLE TRUST

Opinion

We have audited the financial statements of The Mikheev Charitable Trust (the 'charity') for the year ended 5 April 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 5 April 2025 and of its incoming resources and application of resources, 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 Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE MIKHEEV CHARITABLE TRUST

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Fraud and breaches of laws and regulations - ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims.
- Enquiry of entity staff in compliance functions to identify any instances of non-compliance with laws and regulations.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Using analytical procedures to identify any unusual or unexpected relationships.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the rationale of significant transactions outside the charitable objectives of the charity.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make in appropriate accounting entries.

We did not identify any additional fraud risks.

We performed procedures including identifying journal entries to test based on risk criteria and comparing identified entries to supporting documentation. These included those posted to unrelated accounts, those posted containing key words, and those posted to an account linked to a fraud risk.

THE MIKHEEV CHARITABLE TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE MIKHEEV CHARITABLE TRUST

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience, and through discussions with the trustees and other management (as required by auditing standards), and from inspection of the Charity's regulatory and legal correspondence and discussed with the trustees and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The Charity is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related charities legislation) and tax legislation, and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

We did not identify any others where the consequences of non-compliance alone could have a material effect on amounts or disclosures in the financial statements.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council’s website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Other matters

Your attention is drawn to the fact that the charity has prepared financial statements 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)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

THE MIKHEEV CHARITABLE TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE MIKHEEV CHARITABLE TRUST

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Paul Fagan FCCA (Senior Statutory Auditor)
For and on behalf of Craufurd Hale Audit Services Limited, Statutory Auditor
Chartered Accountants
C/O Craufurd Hale Group
Ground Floor, Arena Court
Crown Lane
MAIDENHEAD
SL6 8QZ
Date: 04/02/2026

Craufurd Hale Audit Services Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE MIKHEEV CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 5 APRIL 2025

	Notes	Unrestricted funds 2025 £	Unrestricted funds 2024 as restated £
Income from:			
Investments	**4**	396,125	343,287
Total income		396,125	343,287
Expenditure on:			
Raising funds	**5**	58,414	62,515
Charitable activities	**6**	446,957	457,344
Total expenditure		505,371	519,859
Net expenditure before net gains/(losses) on investments		(109,246)	(176,572)
Net gains/(losses) on investments	**12**	(375,394)	1,094,492
Net income/(expenditure)		(484,640)	917,920
Other recognised gains and losses:			
Other losses	**14**	(4,106)	(28,216)
Net movement in funds	**9**	(488,746)	889,704
Reconciliation of funds:			
Fund balances at 6 April 2024		7,715,820	6,826,116
Fund balances at 5 April 2025		7,227,074	7,715,820

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 16 to 29 form part of these financial statements.

THE MIKHEEV CHARITABLE TRUST

BALANCE SHEET

AS AT 5 APRIL 2025

	Notes	2025 £	2025 £	2024 as restated £	2024 as restated £
Fixed assets					
Investment property	**15**		5,440,000		5,676,000
Investments	**16**		2,152,650		2,271,917
			7,592,650		7,947,917
Current assets					
Debtors	**17**	32,076		27,955	
Cash at bank and in hand		87,446		100,560	
		119,522		128,515	
Creditors: amounts falling due within one year	**18**	(247,378)		(156,667)	
Net current liabilities			(127,856)		(28,152)
Total assets less current liabilities			7,464,794		7,919,765
Creditors: amounts falling due after more than one year	**19**		(237,720)		(203,945)
Net assets			7,227,074		7,715,820
The funds of the charity					
Unrestricted funds	**22**		7,227,074		7,715,820
			7,227,074		7,715,820

The notes on pages 16 to 29 form part of these financial statements.

04-Feb-26 | 09:56 GMT

The financial statements were approved by the trustees on ....

Signed by:

Lev Mikheev

..........07222705EF7634D2...

Trustee

THE MIKHEEV CHARITABLE TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 5 APRIL 2025

		2025		2024	
	Notes	**£**	**£**	**£**	**£**
Cash flows from operating activities					
Cash absorbed by operations	**24**		(385,579)		(247,901)
Investing activities					
Purchase of investments		(807,602)		(358,171)	
Proceeds from disposal of investments		757,704		99,953	
Investment income received		396,125		343,287	
Net cash generated from investing activities			346,227		85,069
Net cash generated from financing activities			-		-
Net decrease in cash and cash equivalents			(39,352)		(162,832)
Cash and cash equivalents at beginning of year			139,211		302,043
Cash and cash equivalents at end of year			99,859		139,211

The notes on pages 16 to 29 form part of these financial statements.

THE MIKHEEV CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2025

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1 Accounting policies

Charity information

The Mikheev Charitable Trust is a charity registered with the Charity Commission in England and Wales.

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the period.

1.1 Basis of preparation

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "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)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Prior period error

The comparative figures for grant commitments disclosed in creditors due in more than one year, debtors and creditors: amounts falling due within one year have been restated as detailed in note 3. The restatements were as follows:

- The grant commitment in the comparative was understated by £76,551 as only three years was included. However the grant is for a period of five years. The restatement correct this.
- An invoice dated before 5 April 2024 was incorrectly included resulting in trade creditors being materially understated by 8,275. Accruals were overstated by £2,069. Prepayments were also understated by £6,206 as a result.
- Interest received of £86,786 was incorrectly reflected within dividends received.
- Investment management fees of £9,393 and foreign exchanges losses of £28,216 were incorrectly included within support costs.

The above also impacts on the comparative figures disclosed in the cash absorbed by operations note 24.

The effect of the restatement is detailed in note 3.

1.3 Going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

The trustees of the charity have concluded that there is no material uncertainties related to events of conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as and when they fall due. This is because the value of the assets held by the charity is materially in excess of the liabilities of the charity and the level of commitments in respect of grants approved for projects payable in future years.

1.4 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

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1 Accounting policies **(Continued)**

1.5 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Assets for distribution are recognised only when distributed. Assets given for use by the charity are recognised when receivable. Stocks of undistributed donated goods are not valued for balance sheet purposes.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. Interest on investments is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank or investment manager.

Income derived from the letting of the charity's investment property is recognised in the period to which the tenancy relates, when it is probable that the funds will be received.

1.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Included in direct costs are grants payable which are included in the statement of financial activities in the year in which they are approved for payment. Provision is made for grants approved but unpaid at the reporting date.

Support costs include indirect costs and governance costs, which comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice.

These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs.

All costs are allocated between the expenditure categories of the statement of financial activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on an appropriate basis.

Expenditure is stated inclusive of any attributable VAT which cannot be recovered.

Allocation of support costs

Support costs are apportioned between the charitable activities undertaken in the year on the basis of the ratio of expenditure between charitable activities.

Support costs relating to charitable activities have been apportioned based on the number of individual grant awards made in recognition that the administrative costs of awarding, monitoring and assessing research grants, salary support grants and postgraduate scholarships are broadly equivalent. The allocation of support and governance costs is analysed in note 5.

THE MIKHEEV CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2025

1 Accounting policies **(Continued)**

1.7 Investment property

Investment property, which is property held to earn rentals and for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in net income/(expenditure) for the year.

Investment property is included in the accounts at the estimated market value at the year end. The valuation is determined by independent professional valuers, Savills, and the trustees assess the value at each reporting date in line with the revaluation model.

1.8 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

Investments in private funds are recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the International Private Equity and Venture Capital Valuation Guidelines as noted above.

The charity does not acquire put options, derivatives or other complex financial instruments.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value is acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 ‘Basic Financial Instruments’ and Section 12 ‘Other Financial Instruments Issues’ of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are measured at transaction price including transaction costs. Financial assets classified are as receivable within one year are not amortised on the basis that amounts are receivable within one year..

1 Accounting policies **(Continued)**

Basic financial liabilities

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Basic financial liabilities, including creditors, are recognised at transaction price. Financial liabilities are classified as payable within one year are not amortised on the basis that payment is payable within one year or less..

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities on the basis that payment is due within one year.

Provisions for grants are recognised at the amount the charity anticipates it will pay to settle the debt.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity’s contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee’s services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty

Investment properties

As disclosed in note 15, the fair value of the investment property has been arrived at on the basis of a valuation carried out on 5 April 2025 by Bidwells, a firm of Chartered Surveyors, who are not connected with the charity. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

3 Prior year restatement

	As reported	Adjustments	As restated
	£	£	£
Statement of Financial Activities			
Rental income	226,353	-	226,353
Dividends received	116,050	(86,786)	29,264
Interest received	884	86,786	87,670
Charitable activities - grant funding	(344,183)	(76,651)	(420,834)
Expenditure on raising funds	(53,122)	(9,393)	(62,515)
Support costs	(74,119)	37,609	(36,510)
Other losses - foreign exchange	-	(28,216)	(28,216)
Net gains on investments	1,094,492	-	1,094,492
Net movements in funds	966,355	76,651	889,704
Balance sheet			
Prepayments	-	6,206	6,206
Trade creditors	-	(8,275)	(8,275)
Accruals	(14,148)	2,069	(12,079)
Grant commitments - amounts falling due in more than one year	(127,294)	(76,651)	(203,945)
The funds of the charity			
Unrestricted reserves	7,792,471	(76,651)	7,715,820
Cash absorbed by operations (note 24)			
(Deficit)/surplus for the year	917,920	48,435	966,355
Foreign exchange losses	-	(28,216)	(28,216)
(Increase)/decrease in debtors	1,892	6,206	8,098
Increase in creditors	285,939	(82,857)	203,082

4 Income from investments

	Unrestricted funds 2025	Unrestricted funds 2024 as restated
	£	£
Rental income	246,687	226,353
Dividends received	61,042	29,264
Interest receivable	88,396	87,670
	396,125	343,287

5 Expenditure on raising funds

	Unrestricted funds 2025	Unrestricted funds 2024 as restated
	£	£
Investment management fees	14,574	9,393
Investment property insurance	8,257	8,275
Investment property repairs	11,901	15,443
Investment property management costs	23,682	29,404
Total costs	58,414	62,515

6 Expenditure on charitable activities

	Grant funding 2025	Support costs 2025	Total 2025	Grant funding 2024 as restated	Support costs 2024 as restated	Total 2024 as restated
	£	£	£	£	£	£
Education, Science and Policy Making	332,183	44,088	376,271	368,324	31,954	400,278
Advancement of Art	8,400	1,115	9,515	6,510	565	7,075
Relief of Property	18,000	2,390	20,390	24,000	2,082	26,082
Community Outreach	30,000	3,984	33,984	22,000	1,909	23,909
Advancement of religion	6,000	797	6,797	-	-	-
	394,583	52,374	446,957	420,834	36,510	457,344
Analysis by fund						
Unrestricted funds	394,583	52,374	446,957	420,834	36,510	457,344

7 Grants payable

	Unrestricted 2025 £	Unrestricted 2024 as restated £
Dalgarno Neighborhood Trust	18,000	18,000
Paddington food bank	18,000	18,000
The University of Chicago (5 year commitment)	7,955	194,887
Royal Opera House	8,400	5,510
Donmar Warehouse	-	1,000
St Paul's School (5 year commitment)	-	166,188
University of Cambridge - Horn Fellowship	5,000	5,000
The Longevity Prize	-	2,249
The Childhood Trust	-	6,000
The Winchester Project	12,000	4,000
London School of Jewish Studies	5,000	-
The Princes's Teaching Institute	12,500	-
Columbia University (3 year commitment)	299,230	-
Saint Marks Church	1,000	-
Fondazione Valter Longo Foundation	2,499	-
	389,584	420,834

-

8 Support costs allocated to activities

	Unrestricted 2025 £	Total 2024 as restated £
Staff costs	40,277	25,995
Legal fees	282	317
Bank charges	388	682
Staff benefits	1,917	-
Governance	9,510	9,516
	52,374	36,510

Support costs are apportioned between the charitable activities undertaken in the year on the basis of the ratio of expenditure between charitable activities.

8 Support costs allocated to activities **(Continued)**

Governance costs comprise:	2025 £	2024 £
Audit fees	8,100	6,540
Other fees	1,410	2,976
	9,510	9,516

The auditor's remuneration for the year was £9,510 inclusive of VAT (2024: £9,516). The split of auditor's remuneration is detailed above.

9 Net movement in funds

	2025 £	2024 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	8,100	6,540

10 Trustees and key management personnel remuneration

None of the trustees and therefore key management personnel (or any persons connected with them) received any remuneration or benefits from the charity during the year (2024: £nil). No trustee expenses have been incurred during the year (2024: £nil).

11 Employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
	1	1

Employment costs	2025 £	2024 £
Wages and salaries	35,719	23,475
Social security costs	3,674	2,003
Other pension costs	884	517
	40,277	25,995

There were no employees whose annual remuneration was more than £60,000.

THE MIKHEEV CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2025

12 Gains and losses on investments

Gains/(losses) arising on:	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Revaluation of investments **	(137,557)	121,071
Sale of investments	(1,837)	(2,579)
Revaluation of investment properties	(236,000)	976,000
	(375,394)	1,094,492

** Revaluation of investments includes a gain of £3,533 (2024: £12,343) on foreign currency contracts in the year which are included as part of the cash within the London & Capital investment portfolio.

13 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

14 Other gains and losses

Gains/(losses) upon:	Unrestricted funds 2025 as restated £	Unrestricted funds 2024 as restated £
Foreign exchange	4,106	28,216

15 Investment property

	2025 £
Fair value	
At 6 April 2024	5,676,000
Net gains or losses through fair value adjustments	(236,000)
At 5 April 2025	5,440,000

The fair value of the investment property has been arrived at on the basis of a valuation carried out on 5 April 2025 by Bidwells, a firm of Chartered Surveyors, who are not connected with the charity. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

15 Investment property **(Continued)**

If investment properties were stated on an historical cost basis rather than a fair value basis, the amounts would have been included as follows:

	2025	2024
	£	£
Cost	5,278,152	5,278,152
Accumulated depreciation	-	-
Carrying amount	5,278,152	5,278,152

16 Fixed asset investments

	Listed investments	Unlisted investments	Cash in portfolio	Total
	£	£	£	£
Cost or valuation				
At 6 April 2024	1,993,566	239,700	38,651	2,271,917
Additions at cost	756,842	25,380	-	782,222
Valuation changes	(141,090)	-	3,533	(137,557)
Net cash movements	-	-	(29,771)	(29,771)
Disposals	(734,161)	-	-	(734,161)
At 5 April 2025	1,875,157	265,080	12,413	2,152,650
Carrying amount				
At 05 April 2025	1,875,157	265,080	12,413	2,152,650
At 05 April 2024	1,993,566	239,700	38,651	2,271,917

16 Fixed asset investments **(Continued)**

The total unrealised loss (for the investment propoerty and listed investments) as at 5 April 2025 constitute movements on revaluation and are as follows:

	2025	2024
	£	£
Reconciliation of movements in unrealised gains		
Unrealised gains / (losses) at 6 April	343,269	(732,290)
Less: in respect to disposals in the year	10,499	(9,169)
Add: net (losses) / gains arising on revaluation in the year	3,324	1,084,728
Total unrealised gains at 5 April	357,092	343,269

	2025	2024
Investments at fair value comprise:	£	£
Property unit trusts	306,523	306,523
UK Bonds	1,713,048	1,687,043
	2,019,571	1,993,566

In the prior year, the Trust invested £239,700 in Easter Drumclair Wind Farm. The Trust invested a further £25,380 in the current year. The investment was made in order to diversify the investment portfolio, generate significant real income while also contributing to UK decarbonisation and helping the UK achieve green energy transition.

17 Debtors

	2025	2024 as restated
Amounts falling due within one year:	£	£
Prepayments	6,551	6,206
Accrued interest	25,525	21,749
	32,076	27,955

18 Creditors: amounts falling due within one year

	2025	2024 as restated
	£	£
Trade creditors	-	8,275
Other creditors	67,493	67,493
Grant commitments	168,537	68,820
Accruals and deferred income	11,348	12,079
	247,378	156,667

19 Creditors: amounts falling due after more than one year

	2025	2024 as restated
	£	£
Grant commitments payable between two and five years	237,720	203,945

20 Total grant commitment

As at 5 April, the charity had commitments in respect of grants approved to the University of Chicago, St Paul's School and Columbia University.

	2025	2024 as restated
	£	£
Creditors: amounts falling due within one year	168,537	68,820
Creditors: amounts falling due after more than one year	237,720	203,945
	406,257	272,765

21 Retirement benefit schemes

	2025	2024
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	884	517

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

22 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 6 April 2024	Incoming resources	Resources expended	Gains and losses	At 5 April 2025
	£	£	£	£	£
General funds	7,715,820	396,125	(505,371)	(379,500)	7,227,074

Previous year:	At 6 April 2023	Incoming resources	Resources expended as restated	Gains and losses	At 5 April 2024 as restated
	£	£	£	£	£
General funds	6,826,116	343,287	(519,859)	1,066,276	7,715,820

23 Related party transactions

During the year, the charity incurred expenditure totaling £8,323 (2024: £4,626) to Factum UK in return for property advisory services. Charles Woolhouse, the founder and CEO of Factum UK, is the spouse of Katerina Woolhouse, a Trustee of the charity. There were no amounts payable at the year-end (2024: £nil).

During the year, the charity paid a grant of £5,000 to Beth Shalom Limited. Laura Weller, a director of Beth Shalom Limited, is the spouse of Adrian Weller, a Trustee of the charity.

There were no other transactions with any related parties during the current or previous financial year

24 Cash absorbed by operations

	2025	2024 as restated
	£	£
(Deficit)/surplus for the year	(484,640)	917,920
Adjustments for:		
Investment income recognised in statement of financial activities	(396,125)	(343,287)
Foreign exchange differences	(4,106)	(28,216)
Loss on disposal of investments	1,837	2,579
Fair value gains and losses on investment properties	236,000	(976,000)
Fair value gains and losses on investments	141,090	(108,728)
Movements in working capital:		
(Increase)/decrease in debtors	(4,121)	1,892
Increase in creditors	124,486	285,939
Cash absorbed by operations	(385,579)	(247,901)

25 Analysis of changes in net funds

The charity had no material debt during the year.

Accounts

The Mikheev Charitable Trust

Annual Report and Accounts

5 April 2024

Charity Registration Number
1162591

Contents

Reference and administrative information Year ended 5 April 2024

Trustees	Lev Victor Mikheev (Founder Trustee) Natalia Mikheev Adrian Weller Katerina Woolhouse
Principal office	C/O Withers LLP 20 Old Bailey London EC4M 7AN
Charity number	1162591
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	Coutts & Co 440 Strand London WC2R 0QS
Investment managers	London & Capital Two Fitzroy Place 8 Mortimer Street London W1T 3JJ Bridges Fund Management 38 Seymour Street London W1H 7BP
Solicitors	Withers LLP 20 Old Bailey London EC4M 7AN

The trustees of The Mikheev Charitable Trust are pleased to present their annual report and accounts for the year ended 5 April 2024. The accounts have been prepared in accordance with the accounting policies set out on pages 18 to 20 and comply with the Trust Deed, the Charities Act 2011 and 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).

OBJECTIVES AND ACTIVITIES

Objects

The objects of the charity allow the trustees to apply the income and capital of the charity for such charitable purposes as they may, in applying their discretion, from time to time decide. This reflects the trustees' interest in a wide variety of charitable projects and purposes, and their expectation that their philanthropic aims may grow and develop over time.

Grant making policy

The charity furthers these objects by making grants to exclusively charitable projects, in line with the charity's grant making policy. The charity focuses in particular on projects aimed at the advancement of education, science, religion and the arts. Grants are generally to be made to established charitable organisations with a track record for delivering benefit to the public.

The trustees' aim in making charitable grants in these areas is to:

- Increase the education of the public through its enjoyment of the arts, including but not limited to increasing the access of individuals to artistic works and the general edification and enjoyment of audiences.

- To advance the education of the public in areas relevant to policy making and thereby to improve the conditions generally of communities affected by such policies.

- To attract extraordinary talent to centres of excellence in the UK, which the trustees believe ultimately improve the lives of a vast number of ordinary people. These centres of excellence utilise synergy to magnify productivity, and therefore exert great influence on the development of society. The UK is blessed particularly with a large number of such productive centres and the trustees wish to support them.

- To support projects at the top academic institutions in the UK aimed at bridging the gap between cutting edge research and policy making.

- To support the Science of Ageing and Longevity. The rapid increase in life expectancy in developed and middle-income countries has made the current medical model increasingly unable to cope with the burden of chronic, rather than acute, disease. Advances in Geroscience show promise of resolving this conundrum.

- To supports certain religious entities and their own charitable endeavours.

- In light of extraordinary stress put on vulnerable segments of the population by the Covid-19 pandemic, the trustees have resolved to extend grants to provide direct support to those most affected.

Grant making policy (continued)
In order to fund such grant making, the charity has focused on establishing and maintaining investments to provide stable income and moderate capital growth.

The trustees do not invite donation applications from charities generally. The trustees however expect to draw on their own experience and knowledge (and their own research when necessary) of the charitable organisations operating in the areas which they wish to support to satisfy themselves that donations are appropriately targeted.

Activities for the year
During this period, and in keeping with the aims set out in the grant making policy, the Board approved donations totalling £344,183 (2023 – £134,700) as set out in note 3. In making these donations the trustees confirm that they have referred to the Charity Commission's general guidance on the public benefit.

In keeping with the plan to establish and maintain good quality investments sufficient to fund donations to established charities, and in drawing on the Board's collective experience and knowledge of the property market, the Board holds the following investments:

(1) 14 units in Cambridge, let out to Citystay, a provider of serviced apartments. A new tenancy agreement with Citystay commenced in May 2020 with a 5 year term (as described below);

(2) In maintaining a property investment approach, but focusing on diversification, the Board continues to subscribe to units in the Bridges Property Alternative Unit Trust;

(3) As the Bridges Property Alternative Unit Fund has distributed almost 2/3 of the charity's original investment by now, the trustees faced the necessity to reinvest this capital to continue to meet the income requirements supporting the charity's grant-making activities. An opportunity presented itself to invest in Tamani Ltd, a small wind farm project in Scotland developed and managed by an experienced team including Lev Mikheev's former colleagues and fellow Horn partners. The trustee's favoured investment in this project not only for providing an attractive high real return profile, but also for alignment of interest in facilitating the transition away from the fossil fuels in the UK. In this aspect, it is a like for like transition from Bridges, which has also selected its investments with social goals in mind.; and

(4) In investing in listed securities as managed by London and Capital, some of which is in US dollars in order to fund any US grants activities.

Details of the above investments are set out in note 9.

The Board believes that these investments, together with others that the Board may from time to time consider suitable (and which are in keeping with the investment policy) are expected to provide the good quality financial returns that will in turn enable the charity to fund donations to other established charitable organisations involved with (but not necessarily limited to) the advancement of religion, education and science, and the arts.

ACHIEVEMENTS AND PERFORMANCE

In the reporting period, the trustees made grants totalling £344,183 (2023 – £134,700) to established charitable organisations with a track record for delivering benefit to the public (see note 3).

Income

The charity enjoyed a regular income stream from the long-term lease of Midsummer Mews, Napier Street, Cambridge, providing the core of the Trust income. Rental income for the year ended 5 April 2024 amounted to £226,351 (2023 – £219,757).

As mentioned above, by now Bridges Property Alternative Unit Fund has distributed most of its investment, with the remaining holdings dominated by one large project, which the Fund management is looking to realise at the most favourable value. The trustees therefore expect the cash flow from Bridges to be concentrated in one large payment coming through in the next 12-24 months. This will be the also the time frame over which the Tamani project will complete the construction phase and start producing income.

Donations

In line with the grant making policy, the trustees are committed to furthering education. They continue to support The Princes Teaching Institute (PTI) and Lev and Natalia Mikheev remain actively involved. The PTI supports professional development for teachers. In addition, the trustees have funded a bursary at St Paul's School, with which the Mikheev family have a long-standing association. The PTI received £12,500 and St Paul's School £29,239.

In addition, there was a further donation of £20,000 to St Paul's School in support of its programme for Ukrainian children affected by the conflict. A further donation for £3,000 was made directly to St Mary's Ukrainian School in London.

In the area of religion, the trustees continue to support one Judaic institution: the London School of Jewish Studies.

The trustees also remain of the view the Horn Fellowship at Cambridge University is a centre of excellence and accordingly have again made a donation of £5,000.

In furtherance of the trustees' commitment to support longevity science, a donation was made to Maximon, an organisation supporting entrepreneurs in this field, in support of their event at Davos World Economic Forum.

In addition, a $50,000 donation was made to the University of Chicago to the Division of Social Sciences as part of a multi-year commitment until 2028. The gift shall be used for stipends for research assistants, results support for PhD students and expenses associated with the Fellows.

Previously the trustees decided to support certain local community organisations in light of the Covid-19 pandemic having a profound effect on livelihoods. Due to ongoing economic uncertainty as a result of world conflict, and the trustees have continued their monthly donations to each of the North Paddington Food Bank and the Dalgarno Trust totalling £1,000 and increasing to £2,000 from November 2024.

ACHIEVEMENTS AND PERFORMANCE (continued)

Donations (continued)
In addition, the charity continues regular donations to the Winch, a North London community charity. The Winch is active in a number of areas including (1) supporting young people by coordinating interaction with school, social workers and other agencies and (2) encouraging investment in community infrastructure. Donations this year have totalled £10,000, including a £6,000 donation to the Childhood Trust as part of a joint campaign between the two charities.

The trustees have continued to make donations to the Royal Opera House in the year totalling £5,510 (2023 – £7,410).

The trustees have expanded their support of the arts to include the Donmar Warehouse Projects Limited, which with the Mikheev family have a prior association. The Donmar Warehouse is renowned for its innovative productions of classic and new theatrical works, in an intimate setting. The trustees have made a donation of £1,000.

FINANCIAL REVIEW

Financial performance and position
A summary of the year's results can be found on page 15 of this report and accounts.

The accounts for the year ended 5 April 2024 show total income of £343,287 (2023 – £346,916). The principal source of income consists of income generated by investments. The Trust will to continue to operate going forward on income generated from existing assets.

Expenditure during the year amounted to 471,424 (2023 – £270,300) with the increase in the year largely attributable to two multi-year grants of £166,188 and £118,236 committed to St Paul's School and the University of Chicago, respectively.

There was an overall net increase in funds of £966,355 (2023 – decrease of £5,260) due to net expenditure before investment gains of £128,137 (2023 – net income of £76,616) which has been offset by net gains on investments of £1,094,492 (2023 – net losses of £81,876). The gain on investments has been driven by a gain on the revaluation of the investment property of £976,000 (2023 - £nil).

The charity holds all its funds as unrestricted funds, and at the balance sheet date, these totalled £7,792,471 (2023 – £6,826,116) of which the largest component is the charity's investments which stood at £7,947,917 (2023 – £6,740,326) at 5 April 2024.

FINANCIAL REVIEW (continued)

Risk

The trustees have assessed the major financial, operational and administrative risks to which the charity is exposed in the delivery of the charitable objectives as:

- The performance of investments – the risk of poor investment return represents the charity's major financial risk. The trustees consider that they effectively mitigate this risk by selecting good quality investments where a medium level of risk is considered acceptable to achieve sound regular returns. The trustees make such selections by making use of their collective knowledge and experience of investment matters generally, and property investments in particular, taking such advice as may be necessary in relation to particular investments. The trustees consider that they have made investments on sound terms (as an example, the income from the property investment is fixed known up front whilst arrangements have been entered into that mitigate the risk of inflation and the property standing unlet).
- Operational risk from ineffective grant making – operationally the charity's major risk is that grants are not effectively made for charitable purposes for the public benefit. The trustees mitigate this risk by making grants according to their grant making policy. This requires, amongst other things, that the trustees seek to satisfy themselves that each grant is made in furtherance of a charitable purpose that offers an identifiable benefit to the public or a significant section of the public. In addition they consider and regularly review the Charity Commission's guidance on public benefit. Although the charity may make grants to other organisations, the trustees further consider that their practice of making grants to UK registered or exempt charities, with a track record of delivering charitable projects for the public benefit, is an effective means of further mitigating this risk.

Reserves policy

This charity is a grant-making charity, fully relying on investment income from its assets rather than external donations to fulfil its stated goals. In principle, all of its assets can be realised to meet unforeseen needs. In practice the property assets are quite illiquid, and the trustees would do their best to avoid a fire sale. However, the bond portfolio managed by London and Capital is liquid and the bond prices are relatively stable. If fully liquidated, the proceeds from this portfolio would cover 6-7 years of expected grants, eliminating any need for other reserves. The size of this investment is governed by the aggregate portfolio optimisation, rather than any need for such substantial reserves.

Therefore, the main consideration for the trustees is the amount of cash balances retained in the bank versus those invested in the bond portfolio. The trustees consider it prudent to keep those balances at slightly over 3 months of projected outlays (i.e. staff costs, anticipated grants and service provider fees), net of the rental and bond portfolio income. The cash balance at 5 April 2024 was 139,211 (2023 – £302,043), split between cash at bank of £100,560 and cash held by investment managers of £38,651.

The trustees consider it prudent to maintain the current level of cash reserves and have decided not to reinvest the surplus.

FINANCIAL REVIEW (continued)

Investment power

The trustees may apply any money to be invested in the purchase of or at interest upon the security of such shares, stocks, funds, securities, land, buildings, chattels or other investments or property of whatever nature and wherever situate, and whether involving liabilities or producing income or not, as they think fit, so that they shall have the same powers to apply money to be invested as if they were an absolute beneficial owner.

Investment policy and performance

The trustees have made investments and commitments to invest with a view to securing the long-term sustainability of the charity. The trustees have formulated their policy on investment on the following principles:

- The investment objective is to generate a return of inflation plus 4% per annum over the long term, after expenses. This should allow the charity to at least maintain the real value of the assets, whilst funding annual expenditure in the region of 4% per annum.

- The trustees will consider the timing of returns and the charity's liquidity generally to ensure there are sufficient available assets to make charitable grants at an expected level of £100,000 - £200,000 per annum.

In considering and making investments, the trustees shall know, and act within, the charity's powers to invest and act solely in the best interests of the charity. The trustees will select investments that are appropriate for the charity, taking account of how suitable any investment is for the charity, including the investment type or class and the terms of the particular investment, the likely income and capital growth, and any other factors relevant to the investment.

The overall approach is for investments to achieve good quality returns for an acceptable level of risk over the long term. In making use of their collective knowledge, skill and experience when making investment decisions, the trustees have directed the charity to seek property investments where a medium level of risk is considered acceptable to achieve returns.

In the short to medium term, the trustees are looking to generate income of approximately £250,000 per annum from investments. The majority of this income will be available to donate to charitable organisations. A sum will also be retained to meet the day-to-day administration and investment management costs of operating the charity, which are not expected to exceed £65,000 (before any foreign exchange losses) in any given year. Such administrative costs include a fee payable to the managing agent of the Cambridge development (Bidwells), buildings insurance for the property, and legal and accounting fees.

The trustees acknowledge the nature of the investments. In selecting these, the trustees have taken appropriate professional advice with respect to property investment as well as drawing on their own knowledge of the property market. In doing so the trustees have regard for the social, environmental and ethical considerations of any investments to ensure they align these with the charity's own objectives.

FINANCIAL REVIEW (continued)

Investment policy and performance (continued)
The charity's investments are reviewed on a regular basis which includes the preparation of cash flows and budgets to consider the eventual return on investment as well as reviewing the performance of any appointed investment managers and whether any further diversification strategy is warranted.

The trustees confirm they have taken into account the Charity Commission guidance CC14: Charities and Investment Matters, in relation to making investments and aim to ensure that as far as possible they do not incur non-charitable expenditure by making any investments or loans that are not approved charitable investments or loans as defined in the Income Tax Act 2007 (and take any advice as needed in this regard).

The trustees are satisfied with the level of investment performance during the year ended 5 April 2023 and that it complied with the investment policy.

STRUCTURE, GOVERNANCE AND MANAGEMENT
Governing Document: Trust Deed dated 14 May 2015
Registered Charity No.: 1162591

Appointment of trustees
The trustees who served during the period were Lev Viktor Mikheev, Natalia Mikheev, Adrian Weller and Katerina Woolhouse.

The power of appointing new trustees is vested in the trustees. A trustee may be appointed or discharged by a resolution of a meeting of the trustees, provided that a memorandum declaring such appointment or discharge shall be signed as a deed, either at the meeting by the person presiding or in some other manner directed by the meeting and attested by two other persons present at the meeting.

A new trustee or new trustees may be appointed at any time (either by way of replacement or addition), and notwithstanding that the total number of trustees may exceed four but so that the total number of trustees shall at no time exceed seven.

New trustees are selected with regard to the knowledge, skill and expertise appropriate for the effective administration of the charity and the delivery of the charitable objectives. New trustees are briefed on their legal obligations under charity and company law, on their role and responsibilities as trustees, the charity commission on public benefit, the contents of the governing document, the decision-making process, the business plans and the recent financial performance of the charity.

All trustees give of their time freely and no trustee was paid remuneration in the year. The trustees consider themselves as the key management of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis. Trustees are required to disclose all relevant interests and to withdraw from the decision-making process where a conflict of interest arises.

All decisions are taken collectively by the trustees in a validly convened meeting or in a written decision. The trustees additionally have the power to take unanimous decisions informally, provided they ratify the same at their next meeting.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Powers in relation to land

Subject to such restrictions imposed on them, and with such consents as may be required by law, the trustees shall have all the powers of an absolute beneficial owner in relation to the disposition, development and improvement of any land comprised in the Trust. The trustees shall not be bound to maintain any building or other structure on land comprised in the Trust or to preserve or repair any chattels comprised in the Trust.

The trustees may transfer land comprised in the Trust to such other charitable body or bodies, having objects the same as or similar to the objects, on such terms as the trustees shall in their discretion think fit.

Power to employ staff and pay for services

The trustees are empowered under the terms of the Trust Deed to employ any person or firm, not being a trustee, to manage or assist in managing the day-to-day running of the Trust or act as secretary. As above, they have not delegated any decision-making and take all decisions collectively.

Fundraising statement

The charity is solely funded from its investments and does not invite nor accept any external funds from the general public. The only examples of fundraising activities undertaken are discrete activities by trustees, such as in connection with participation in a sporting event, but none such has occurred in the last financial year. In such cases, only personal contacts of the trustees are contacted to invite small donations. Fundraising is not undertaken by anyone acting on the charity's behalf, and no professional fundraiser or commercial participator carries out any fundraising activities. The trustees do not foresee any change to the charity's approach to fundraising and consequently to do not presently subscribe to any fundraising standards or schemes.

Statement of trustees' responsibilities

The trustees are responsible for preparing the trustees' report and accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales 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 income and 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;
- observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS 102);
- make judgements and estimates that are reasonable and prudent;

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Statement of trustees' responsibilities (continued)

- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts;

- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust Deed. 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.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

The trustees' report was approved by the board of trustees by:

Lev Mikheev
Lev Mikheev (Feb 3, 2025 20:02 GMT+1)

Lev Mikheev

Date: 03/02/2025

Independent auditor's report to the trustees of The Mikheev Charitable Trust

Opinion

We have audited the accounts of The Mikheev Charitable Trust (the 'charity') for the year ended 5 April 2024 which comprise the statement of financial activities, the balance sheet, the statements of cash flows, principal accounting policies and the notes to the accounts. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- give a true and fair view of the state of the charity's affairs as at 5 April 2024 and of its incoming resources and application of resources 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 Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the accounts, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the accounts is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the accounts are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, including the trustees' report, other than the accounts and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

Other information (continued)
Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the accounts themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the trustees' report is inconsistent in any material respect with the accounts; or
- sufficient accounting records have not been kept; or
- the accounts are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees
As explained more fully in the trustees' responsibilities statement set out on page 9, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts
We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Auditor's responsibilities for the audit of the accounts (continued)
Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these accounts.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;

- we obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011).

- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and

- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;

- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and

- tested authorisation controls on expenditure items, ensuring all expenditure was approved in line with the charity's financial procedures.

Auditor's responsibilities for the audit of the accounts (continued)
In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report
This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Buzzacott LLP

Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 4 February 2025

Buzzacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Statement of financial activities Year ended 5 April 2024

	Notes	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Income from:			
Investments	1	**343,287**	346,916
Total income		**343,287**	346,916
Expenditure on:			
Raising funds	2	**53,122**	35,402
Charitable activities	3	**418,302**	234,898
Total expenditure		**471,424**	270,300
Net income before gains on investments		**(128,137)**	76,616
Net (losses) gains on investments	9	**1,094,492**	(81,876)
Net (expenditure) income and net movement in funds for the year		**966,355**	(5,260)
Reconciliation of funds			
Total funds brought forward		**6,826,116**	6,831,376
Total funds carried forward		**7,792,471**	6,826,116

All of the Trust's activities derived from continuing operations during the above two financial periods.

All gains and losses recognised in the year are included in the above statement of financial activities.

Balance sheet As at 5 April 2024

	Notes	2024 £	2024 £	2023 £	2023 £
Fixed assets					
Investments	9		**7,947,917**		6,740,326
Current assets					
Cash at bank and in hand		**100,560**		130,616	
Debtors	10	**21,749**		29,847	
		122,309		160,463	
Current liabilities					
Creditors: amounts falling due within one year	11	**(150,461)**		(74,673)	
Net current assets (liabilities)			**(28,152)**		85,790
Total assets less current liabilities			**7,919,765**		6,826,116
Creditors: amounts falling due in more than one year	12		**(127,294)**		—
Total net assets			**7,792,471**		6,826,116
The funds of the charity:					
Unrestricted funds			**7,792,471**		6,826,116
Total charity funds			**7,792,471**		6,826,116

Approved by the trustees on
and signed on their behalf by:

Lev Mikheev
Lev Mikheev (Feb 3, 2025 20:02 GMT+1)

Lev Mikheev
Trustee

Date: 02/03/2025

Statement of cash flows Year ended 5 April 2024

	Notes	2024 £	2023 £
Cash flows (used in) operating activities	A	**(247,901)**	(259,370)
Cash flows from investing activities:			
Investment income and interest received		**343,287**	346,916
Purchase of investments		**(358,171)**	(673,874)
Proceeds of disposals of investments		**99,953**	726,047
Net cash provided by investing activities		**85,069**	399,089
Increase (decrease) in cash and cash equivalents		**(162,832)**	139,719
Cash and cash equivalents at 6 April	B	**302,043**	162,324
Cash and cash equivalents at 5 April	B	**139,211**	302,043

A Cash flows from operating activities

	2024 £	2023 £
Net movement in funds for the year (as per the statement of financial activities)	**966,355**	(5,260)
Adjustments for:		
(Gains) losses on investments*	**(1,082,150)**	187,230
Investment income and interest receivable	**(343,287)**	(346,916)
Decrease (increase) in debtors	**8,099**	(3,514)
Increase (decrease) in creditors falling due within one year	**75,788**	(80,910)
Increase (decrease) in creditors falling due in more than one year	**127,294**	(10,000)
Net cash (used in) operating activities	**(247,901)**	(259,370)

*Losses (gains) on investments excludes gains on foreign currency contracts (see note 9).

B Analysis of changes in net debt

	2024 £	2023 £
Cash at bank and in hand	**100,560**	130,616
Cash held by investment managers	**38,651**	171,427
Total cash and cash equivalents	**139,211**	302,043

The Mikheev Charitable Trust does not have any borrowings or lease obligations. Net debt consists therefore of the cash at bank and in hand.

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are as follows:

Basis of preparation
The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The accounts have been prepared 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 United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The accounts are prepared in sterling and are rounded to the nearest British pound, which is the functional currency of the charity.

Critical accounting estimates and areas of judgement
There are no significant areas of judgement or key assumptions that affect items in the accounts. With respect to the next reporting period, the most significant areas of uncertainty are the carrying value of investment assets held by the charity, which will depend on the performance of investment markets and the investment income from these assets.

Bridges Property Alternative Unit Trust (Fund III Units)
Fund III investments are valued according to the International Private Equity and Venture Capital Valuation Guidelines. Bridges Ventures carries out quarterly valuations of every unrealised investment in its portfolio for Fund III. These valuations are undertaken by the investment professionals responsible for the relevant investment. These valuations are then reviewed and approved by each fund's valuation committee.

Assessment of going concern
The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect to a period of one year from the date of approval of these accounts.

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. This is because the value of assets held by the charity is materially in excess of the liabilities of the charity and the level of commitments in respect of grants approved for projects payable in future years.

Income recognition
All income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid is recognised at the time of the donation.

Income recognition (continued)
Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. Interest on investments is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank or investment manager.

Income derived from the letting of the charity's investment property is recognised in the period to which the tenancy relates, when it is probable that the funds will be received.

Expenditure recognition
Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Included in direct costs are grants payable which are included in the statement of financial activities in the year in which they are approved for payment. Provision is made for grants approved but unpaid at the reporting date.

Support costs include indirect costs and governance costs, which comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice.

These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs.

All costs are allocated between the expenditure categories of the statement of financial activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on an appropriate basis.

Expenditure is stated inclusive of any attributable VAT which cannot be recovered.

Allocation of support costs
Support costs are apportioned between the charitable activities undertaken in the year on the basis of the ratio of expenditure between charitable activities.

Support costs relating to charitable activities have been apportioned based on the number of individual grant awards made in recognition that the administrative costs of awarding, monitoring and assessing research grants, salary support grants and postgraduate scholarships are broadly equivalent. The allocation of support and governance costs is analysed in note 5.

Fixed asset investments
Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

Fixed asset investments (continued)
Investments in private funds are recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the International Private Equity and Venture Capital Valuation Guidelines as noted above.

The charity does not acquire put options, derivatives or other complex financial instruments.

Investment property is included in the accounts at the estimated market value at the year end. The valuation is determined by independent professional valuers, Savills, and the trustees assess the value at each reporting date in line with the revaluation model.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value is acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

Debtors
Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid.

Cash at bank and in hand
Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Creditors and provisions
Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt.

Financial instruments
The charity only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the charity and their measurement basis are as follows:

Financial assets – other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

Cash at bank – classified as a basic financial instrument and is measured at face value.

Financial liabilities – accruals and other creditors are financial instruments and are measured at amortised cost.

Fund accounting
Unrestricted funds are available to spend on activities that further any of the purposes of charity.

1 Investment income

	Unrestricted funds	
	2024	2023
	£	£
Dividends received	**116,050**	126,562
Interest on cash deposits	**884**	597
Rental from investment property	**226,353**	219,757
	343,287	346,916

2 Raising funds

	Unrestricted funds	
	2024	2023
	£	£
Investment property management costs	**53,122**	35,402
	53,122	35,402

3 Charitable activities

	Grant funding (note 4)	Support costs (note 5)	**2024 £**	2023 £
Education, Science and Policy Making	291,673	62,811	**354,484**	145,238
Advancement of Religion	—	—	**—**	6,975
Advancement of Arts	6,510	1,402	**7,912**	12,922
Relief of Poverty	24,000	5,168	**29,168**	24,414
Community Outreach	22,000	4,738	**26,738**	45,349
	344,183	74,119	**418,302**	234,898

	Grant funding (note 4)	*Support costs (note 5)*	*2023 £*
Education, Science and Policy Making	*83,285*	*61,953*	*145,238*
Advancement of Religion	*4,000*	*2,975*	*6,975*
Overseas Aid	*—*	*—*	*—*
Advancement of Arts	*7,410*	*5,512*	*12,922*
Relief of Poverty	*14,000*	*10,414*	*24,414*
Community Outreach	*26,005*	*19,344*	*45,349*
	134,700	*100,198*	*234,898*

4 Analysis of grants

All grants provided during the year were given to institutions; no individual received a direct donation. Recipients of institutional grants were as follows:

	Unrestricted funds	
	2024	2023
	£	£
Dalgarno Neighbourhood Trust	**18,000**	13,005
London School of Jewish Studies	**—**	500
Paddington Food Bank	**18,000**	14,000
The Prince's Teaching Institute	**—**	12,500
The University of Chicago (3 year commitment)	**118,236**	—
Princeton University	**—**	13,140
Royal Opera House	**5,510**	7,410
Donmar Warehouse	**1,000**	—
St Mary's Ukrainian School	**—**	7,565
St Paul's School (5 year commitment)	**166,188**	15,080
University of Cambridge - Horn Fellowship	**5,000**	5,000
University of Cambridge	**—**	30,000
The Longevity Prize	**2,249**	—
Westminster Synagogue	**—**	3,500
The Childhood Trust	**6,000**	—
The Winchester Project	**4,000**	13,000
	344,183	134,700

5 Support costs

	Unrestricted funds	
	2024	2023
	£	£
Governance costs		
. Audit fees	**6,540**	6,475
. Other fees	**2,976**	2,735
Legal fees	**317**	—
Staff costs (note 6)	**25,995**	23,878
Bank charges	**682**	1,618
Investment management fees	**9,393**	8,872
Foreign exchange loss	**28,216**	56,620
	74,119	100,198

Support costs are apportioned between the charitable activities undertaken in the year on the basis of the ratio of expenditure between charitable activities.

6 Staff costs

	Unrestricted funds	
	2024	2023
	£	£
Salaries and wages	**23,475**	21,600
Social security costs	**2,003**	1,817
Pension contributions	**517**	461
	25,995	23,878

The average number of employees during the year was one (2023 – one).

7 Trustees and key management personnel remuneration

None of the trustees and therefore key management personnel of the charity (or any persons connected with them) have been paid any remuneration or received any other benefits during the period (2023 – £nil). No trustee expenses have been incurred during the year (2023 – £nil).

8 Auditors' remuneration

The auditor's remuneration for the year is £9,516 inclusive of VAT (2023 – £9,210) and is made up as follows:

	2024	2023
	£	£
Statutory audit		
. Current year audit	**6,540**	6,000
. Prior year audit	—	475
Other services	**2,976**	2,735
	9,516	9,210

9 Investments

	2024	2023
	£	£
Investment properties	**5,676,000**	4,700,000
Unlisted investments	**239,700**	—
Listed Investments	**1,993,566**	1,868,899
Cash held by investment manager for re-investment	**38,651**	171,427
	7,947,917	6,740,326

Investment properties

	2024	2023
	£	£
Market value at 6 April	**4,700,000**	4,700,000
Unrealised gains on revaluation	**976,000**	—
Market value at 5 April	**5,676,000**	4,700,000
Historical cost of investment properties at 5 April	**5,278,152**	5,278,152

The investment property was revalued by an independent valuer in July 2024.

9 Investments (continued)

Unlisted investments

	2024 £	2023 £
Market value of investments at 6 April	—	—
Additions at cost	**239,700**	—
Market value of investments at 5 April	**239,700**	—

The Trust has invested £239,700 in Easter Drumclair Wind Farm. The investment was made in order to diversify the investment portfolio, generate significant real income while also contributing to UK decarbonisation and helping the UK achieve green energy transition.

Listed investments and cash held

	2024 £	2023 £
Market value of investments at 6 April	**1,868,899**	2,108,302
Additions at cost	**118,471**	673,874
Disposals at book value (proceeds: £99,953, realised losses: £2,579)	**(102,532)**	(703,141)
Net gains (losses) on revaluation at 5 April	**108,728**	(210,136)
Market value of investments as at 5 April	**1,993,566**	1,868,899
Cash held for investment*	**38,651**	171,427
Total market value of investments at 5 April	**2,032,217**	2,040,326
Historical cost of listed investments at 5 April (excluding cash)	**2,287,845**	2,023,037

*Cash held for reinvestment includes a gain of £12,343 (2023 – £105,354) on foreign currency contracts in the year which are included as part of the cash within the London & Capital investment portfolio.

Listed Investments held at 5 April comprised the following:

	2024 £	2023 £
Property unit trusts	**306,523**	326,113
UK bonds	**1,687,043**	1,516,088
	1,993,566	1,842,201

The total unrealised losses (for the investment property and listed investments) as at 5 April constitute movements on revaluation and are as follows:

	2024 £	2023 £
Reconciliation of movements in unrealised gains (losses)		
Unrealised (losses) at 6 April	**(732,290)**	(507,292)
Less: in respect to disposals in the year	**(9,169)**	(14,862)
Add: net (losses) gains arising on revaluation in the year	**1,084,728**	(210,136)
Total unrealised gains (losses) at 5 April	**343,269**	(732,290)

10 Debtors: falling due within one year

	2024	2023
	£	£
Prepayments and accrued investment income	**21,749**	29,847
	21,749	29,847

11 Creditors: falling due within one year

	2024	2023
	£	£
Other creditors	**67,493**	50,400
Grant commitments	**68,820**	13,000
Accruals	**14,148**	11,273
	150,461	74,673

12 Creditors: falling due in more than one year

As at 5 April, the charity had commitments in respect of grants approved to the University of Chicago and St Paul's School.

	2024	2023
	£	£
. Payable between two and five years	**127,294**	—
	127,294	—

13 Related party transactions

During the year, the charity incurred expenditure totalling £4,626 (2023 - £4,350) to Factum UK in return for property advisory services. Charles Woolhouse, the founder and CEO of Factum UK, is the spouse of Katerina Woolhouse, a Trustee of the charity. There were no amounts payable at the year-end (2023 – £nil).

There were no other transactions with any related parties during the current or previous financial year.

Accounts

The Mikheev Charitable Trust

Annual Report and Accounts

5 April 2023

Charity Registration Number
1162591

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Reference and administrative information Year ended 5 April 2023

Trustees	Lev Victor Mikheev (Founder Trustee) Natalia Mikheev Adrian Weller Katerina Woolhouse
Principal office	C/O Withers LLP 20 Old Bailey London EC4M 7AN
Charity number	1162591
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	Coutts & Co 440 Strand London WC2R 0QS
Investment managers	London & Capital Two Fitzroy Place 8 Mortimer Street London W1T 3JJ
	Bridges Fund Management 38 Seymour Street London W1H 7BP
Solicitors	Withers LLP 20 Old Bailey London EC4M 7AN

The trustees of The Mikheev Charitable Trust are pleased to present their annual report and accounts for the year ended 5 April 2023. The accounts have been prepared in accordance with the accounting policies set out on pages 17 to 19 and comply with the Trust Deed, the Charities Act 2011 and 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).

OBJECTIVES AND ACTIVITIES

Objects

The objects of the charity allow the trustees to apply the income and capital of the charity for such charitable purposes as they may, in applying their discretion, from time to time decide. This reflects the trustees' interest in a wide variety of charitable projects and purposes, and their expectation that their philanthropic aims may grow and develop over time.

Grant making policy

The charity furthers these objects by making grants to exclusively charitable projects, in line with the charity's grant making policy. The charity focuses in particular on projects aimed at the advancement of education, science, religion and the arts. Grants are generally to be made to established charitable organisations with a track record for delivering benefit to the public.

The trustees' aim in making charitable grants in these areas is to:

- Increase the education of the public through its enjoyment of the arts, including but not limited to increasing the access of individuals to artistic works and the general edification and enjoyment of audiences.
- To advance the education of the public in areas relevant to policy making and thereby to improve the conditions generally of communities affected by such policies.
- To attract extraordinary talent to centres of excellence in the UK, which the trustees believe ultimately improve the lives of a vast number of ordinary people. These centres of excellence utilise synergy to magnify productivity, and therefore exert great influence on the development of society. The UK is blessed particularly with a large number of such productive centres and the trustees wish to support them.
- To support projects at the top academic institutions in the UK aimed at bridging the gap between cutting edge research and policy making.
- To support the Science of Ageing and Longevity. The rapid increase in life expectancy in developed and middle-income countries has made the current medical model increasingly unable to cope with the burden of chronic, rather than acute, disease. Advances in Geroscience show promise of resolving this conundrum.
- To supports certain religious entities and their own charitable endeavours.
- In light of extraordinary stress put on vulnerable segments of the population by the Covid-19 pandemic, the trustees have resolved to extend grants to provide direct support to those most affected.

Grant making policy (continued)
In order to fund such grant making, the charity has focused on establishing and maintaining investments to provide stable income and moderate capital growth.

The trustees do not invite donation applications from charities generally. The trustees however expect to draw on their own experience and knowledge (and their own research when necessary) of the charitable organisations operating in the areas which they wish to support to satisfy themselves that donations are appropriately targeted.

Activities for the year
During this period, and in keeping with the aims set out in the grant making policy, the Board approved donations totalling £134,700 (2022 – £144,459) as set out in note 3. In making these donations the trustees confirm that they have referred to the Charity Commission's general guidance on the public benefit.

In keeping with the plan to establish and maintain good quality investments sufficient to fund donations to established charities, and in drawing on the Board's collective experience and knowledge of the property market, the Board holds the following investments:

(1) 14 units in Cambridge, let out to Citystay, a provider of serviced apartments. A new tenancy agreement with Citystay commenced in May 2020 with a 5 year term (as described below);

(2) In maintaining a property investment approach, but focusing on diversification, the Board continues to subscribe to units in the Bridges Property Alternative Unit Trust; and

(3) In investing in listed securities as managed by London and Capital, some of which is in US dollars in order to fund any US grants activities.

Details of the above investments are set out in note 9.

The Board believes that these investments, together with others that the Board may from time to time consider suitable (and which are in keeping with the investment policy) are expected to provide the good quality financial returns that will in turn enable the charity to fund donations to other established charitable organisations involved with (but not necessarily limited to) the advancement of religion, education and science, and the arts.

ACHIEVEMENTS AND PERFORMANCE
In the reporting period, the trustees made grants totalling £134,700 (2022 – £144,459) to established charitable organisations with a track record for delivering benefit to the public (see note 3).

Income
The charity enjoyed a regular income stream from the long-term lease of Midsummer Mews, Napier Street, Cambridge, providing the core of the Trust income. Rental income for the year ended 5 April 2023 amounted to £219,757 (2022 – £213,358).

Distributions from Bridges Property Fund have remailed low during this period, although have picked up again for the 2023-24 year. As a result of this, as well as the general change in composition of the investment portfolios, income from dividends increased from £109,080 in the year to 5 April 2022 to £126,562 in the year to 5 April 2023.

ACHIEVEMENTS AND PERFORMANCE (continued)

Donations

In line with the grant making policy, the trustees are committed to furthering education. They continue to support The Princes Teaching Institute (PTI) and Lev and Natalia Mikheev remain actively involved. The PTI supports professional development for teachers. In addition, the trustees have funded a bursary at St Paul's School, with which the Mikheev family have a long-standing association. The PTI received £12,500 and St Paul's School £15,080.

In addition, St Paul's School, together with St Mary's Ukrainian school, organised a Friday lunch programme for Ukrainian children affected by the conflict and the trustees sponsored this programme with further donations of £7,565.

In the area of religion, the trustees continue to support two Judaic institutions: the Westminster Synagogue and the London School of Jewish Studies.

The trustees also remain of the view the Horn Fellowship at Cambridge University is a centre of excellence and accordingly have again made a donation of £5,000. There was a further donation to Cambridge University to support to Dr Roberto Foa's research into evaluating true public opinion in Russia using big data apparatus.

Previously the trustees decided to support certain local community organisations in light of the Covid-19 pandemic having a profound effect on livelihoods. Due to ongoing economic uncertainty as a result of world conflict, and the trustees have continued their monthly £1,000 donations to each of the North Paddington Food Bank and the Dalgarno Trust.

In addition, the charity continues regular donations to the Winch, a North London community charity. The Winch is active in a number of areas including (1) supporting young people by coordinating interaction with school, social workers and other agencies and (2) encouraging investment in community infrastructure.

The trustees have continued to make donations to the Royal Opera House in the year totalling £7,410 (2022 – £5,250).

FINANCIAL REVIEW

Financial performance and position

A summary of the year's results can be found on page 14 of this report and accounts.

The accounts for the year ended 5 April 2023 show total income of £346,916 (2022 – £322,438). The principal source of income consists of income generated by investments. The Trust will to continue to operate going forward on income generated from existing assets.

Expenditure during the year amounted to £270,300 (2022 – £162,956) with the increase in the year largely attributable to foreign exchange losses and £60,000 grant commitment which was written back to expenditure in the prior year.

There is an overall net decrease in funds of £5,260 (2022 – increase of £217,785) due to a surplus of income over expenditure being offset by movements on the charity's investments which had net losses of £81,876 in the year ended 5 April 2023 (2022 – net gains of £58,303).

The charity holds all its funds as unrestricted funds, and at the balance sheet date, these totalled £6,826,116 (2022 – £6,831,376) of which the largest component is the charity's investments which stood at £6,740,326 (2022 – £6,893,616) at 5 April 2023.

Risk

The trustees have assessed the major financial, operational and administrative risks to which the charity is exposed in the delivery of the charitable objectives as:

- The performance of investments – the risk of poor investment return represents the charity's major financial risk. The trustees consider that they effectively mitigate this risk by selecting good quality investments where a medium level of risk is considered acceptable to achieve sound regular returns. The trustees make such selections by making use of their collective knowledge and experience of investment matters generally, and property investments in particular, taking such advice as may be necessary in relation to particular investments. The trustees consider that they have made investments on sound terms (as an example, the income from the property investment is fixed known up front whilst arrangements have been entered into that mitigate the risk of inflation and the property standing unlet).

- Operational risk from ineffective grant making – operationally the charity's major risk is that grants are not effectively made for charitable purposes for the public benefit. The trustees mitigate this risk by making grants according to their grant making policy. This requires, amongst other things, that the trustees seek to satisfy themselves that each grant is made in furtherance of a charitable purpose that offers an identifiable benefit to the public or a significant section of the public. In addition they consider and regularly review the Charity Commission's guidance on public benefit. Although the charity may make grants to other organisations, the trustees further consider that their practice of making grants to UK registered or exempt charities, with a track record of delivering charitable projects for the public benefit, is an effective means of further mitigating this risk.

FINANCIAL REVIEW (continued)

Risk (continued)

Reserves policy
This charity is a grant-making charity, fully relying on investment income from its assets rather than external donations to fulfil its stated goals. In principle, all of its assets can be realised to meet unforeseen needs. In practice the property assets are quite illiquid, and the trustees would do their best to avoid a fire sale. However, the bond portfolio managed by London and Capital is liquid and the bond prices are relatively stable. If fully liquidated, the proceeds from this portfolio would cover 6-7 years of expected grants, eliminating any need for other reserves. The size of this investment is governed by the aggregate portfolio optimisation, rather than any need for such substantial reserves.

Therefore, the main consideration for the trustees is the amount of cash balances retained in the bank versus those invested in the bond portfolio. The trustees consider it prudent to keep those balances at slightly over 3 months of projected outlays (i.e. staff costs, anticipated grants and service provider fees), net of the rental and bond portfolio income. The cash balance at 5 April 2023 was £302,043 (2022 – £162,324), split between cash at bank of £130,616 and cash held by investment managers of £171,427

The trustees consider it prudent to maintain the current level of cash reserves and have decided not to reinvest the surplus.

Investment power
The trustees may apply any money to be invested in the purchase of or at interest upon the security of such shares, stocks, funds, securities, land, buildings, chattels or other investments or property of whatever nature and wherever situate, and whether involving liabilities or producing income or not, as they think fit, so that they shall have the same powers to apply money to be invested as if they were an absolute beneficial owner.

Investment policy and performance
The trustees have made investments and commitments to invest with a view to securing the long-term sustainability of the charity. The trustees have formulated their policy on investment on the following principles:

- The investment objective is to generate a return of inflation plus 4% per annum over the long term, after expenses. This should allow the charity to at least maintain the real value of the assets, whilst funding annual expenditure in the region of 4% per annum.

- The trustees will consider the timing of returns and the charity's liquidity generally to ensure there are sufficient available assets to make charitable grants at an expected level of £100,000 - £200,000 per annum.

In considering and making investments, the trustees shall know, and act within, the charity's powers to invest and act solely in the best interests of the charity. The trustees will select investments that are appropriate for the charity, taking account of how suitable any investment is for the charity, including the investment type or class and the terms of the particular investment, the likely income and capital growth, and any other factors relevant to the investment.

FINANCIAL REVIEW (continued)

Investment policy and performance (continued)

The overall approach is for investments to achieve good quality returns for an acceptable level of risk over the long term. In making use of their collective knowledge, skill and experience when making investment decisions, the trustees have directed the charity to seek property investments where a medium level of risk is considered acceptable to achieve returns.

In the short to medium term, the trustees are looking to generate income of approximately £250,000 per annum from investments. The majority of this income will be available to donate to charitable organisations. A sum will also be retained to meet the day-to-day administration and investment management costs of operating the charity, which are not expected to exceed £65,000 (before any foreign exchange losses) in any given year. Such administrative costs include a fee payable to the managing agent of the Cambridge development (Bidwells), buildings insurance for the property, and legal and accounting fees.

The trustees acknowledge the nature of the investments. In selecting these, the trustees have taken appropriate professional advice with respect to property investment as well as drawing on their own knowledge of the property market. In doing so the trustees have regard for the social, environmental and ethical considerations of any investments to ensure they align these with the charity's own objectives.

The charity's investments are reviewed on a regular basis which includes the preparation of cash flows and budgets to consider the eventual return on investment as well as reviewing the performance of any appointed investment managers and whether any further diversification strategy is warranted.

The trustees confirm they have taken into account the Charity Commission guidance CC14: Charities and Investment Matters, in relation to making investments and aim to ensure that as far as possible they do not incur non-charitable expenditure by making any investments or loans that are not approved charitable investments or loans as defined in the Income Tax Act 2007 (and take any advice as needed in this regard).

The trustees are satisfied with the level of investment performance during the year ended 5 April 2023 and that it complied with the investment policy.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document: Trust Deed dated 14 May 2015
Registered Charity No.: 1162591

Appointment of trustees

The trustees who served during the period were Lev Viktor Mikheev, Natalia Mikheev, Adrian Weller and Katerina Woolhouse.

The power of appointing new trustees is vested in the trustees. A trustee may be appointed or discharged by a resolution of a meeting of the trustees, provided that a memorandum declaring such appointment or discharge shall be signed as a deed, either at the meeting by the person presiding or in some other manner directed by the meeting and attested by two other persons present at the meeting.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Appointment of trustees (continued)
A new trustee or new trustees may be appointed at any time (either by way of replacement or addition), and notwithstanding that the total number of trustees may exceed four but so that the total number of trustees shall at no time exceed seven.

New trustees are selected with regard to the knowledge, skill and expertise appropriate for the effective administration of the charity and the delivery of the charitable objectives. New trustees are briefed on their legal obligations under charity and company law, on their role and responsibilities as trustees, the charity commission on public benefit, the contents of the governing document, the decision-making process, the business plans and the recent financial performance of the charity.

All trustees give of their time freely and no trustee was paid remuneration in the year. The trustees consider themselves as the key management of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis. Trustees are required to disclose all relevant interests and to withdraw from the decision-making process where a conflict of interest arises.

All decisions are taken collectively by the trustees in a validly convened meeting or in a written decision. The trustees additionally have the power to take unanimous decisions informally, provided they ratify the same at their next meeting.

Powers in relation to land
Subject to such restrictions imposed on them, and with such consents as may be required by law, the trustees shall have all the powers of an absolute beneficial owner in relation to the disposition, development and improvement of any land comprised in the Trust. The trustees shall not be bound to maintain any building or other structure on land comprised in the Trust or to preserve or repair any chattels comprised in the Trust.

The trustees may transfer land comprised in the Trust to such other charitable body or bodies, having objects the same as or similar to the objects, on such terms as the trustees shall in their discretion think fit.

Power to employ staff and pay for services
The trustees are empowered under the terms of the Trust Deed to employ any person or firm, not being a trustee, to manage or assist in managing the day-to-day running of the Trust or act as secretary. As above, they have not delegated any decision-making and take all decisions collectively.

Fundraising statement
The charity is solely funded from its investments and does not invite nor accept any external funds from the general public. The only examples of fundraising activities undertaken are discrete activities by trustees, such as in connection with participation in a sporting event, but none such has occurred in the last financial year. In such cases, only personal contacts of the trustees are contacted to invite small donations. Fundraising is not undertaken by anyone acting on the charity's behalf, and no professional fundraiser or commercial participator carries out any fundraising activities. The trustees do not foresee any change to the charity's approach to fundraising and consequently to do not presently subscribe to any fundraising standards or schemes.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Statement of trustees' responsibilities

The trustees are responsible for preparing the trustees' report and accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales 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 income and 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;
- observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust Deed. 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.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

The trustees' report was approved by the board of trustees by Lev Mikheev

Lev Mikheev

Date: 05/02/2024

Independent auditor's report to the trustees of The Mikheev Charitable Trust

Opinion

We have audited the accounts of The Mikheev Charitable Trust (the 'charity') for the year ended 5 April 2023 which comprise the statement of financial activities, the balance sheet the statement of cash flows, the principal accounting policies and the notes to the accounts. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- give a true and fair view of the state of the charity's affairs as at 5 April 2023 and of 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 Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the accounts, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the accounts is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and parent charity's ability to continue as a going concern for a period of at least twelve months from when the accounts are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the accounts or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the trustees' annual report is inconsistent in any material respect with the accounts; or
- sufficient accounting records have not been kept; or
- the accounts are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts
Our objectives are to obtain reasonable assurance about whether the accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these accounts.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011).
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- tested authorisation controls on expenditure items, ensuring all expenditure was approved in line with the charity's financial procedures.

Auditor's responsibilities for the audit of the accounts (continued)
In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing any available correspondence with HMRC and the charity's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report
This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Buzzacott LLP

Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 5 February 2024

Buzzacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Statement of financial activities Year ended 5 April 2023

	Notes	Unrestricted funds **2023** **£**	2022 £
Income from:			
Investments	1	**346,916**	322,438
Total income		**346,916**	322,438
Expenditure on:			
Raising funds	2	**35,402**	34,610
Charitable activities	3	**234,898**	128,346
Total expenditure		**270,300**	162,956
Net income before gains on investments		**76,616**	159,482
Net (losses) gains on investments	9	**(81,876)**	58,303
Net (expenditure) income and net movement in funds for the year		**(5,260)**	217,785
Reconciliation of funds			
Total funds brought forward		**6,831,376**	6,613,591
Total funds carried forward		**6,826,116**	6,831,376

All of the Trust's activities derived from continuing operations during the above two financial periods.

All gains and losses recognised in the year are included in the above statement of financial activities.

Balance sheet As at 5 April 2023

	Notes	**2023 £**	**2023 £**	2022 £	2022 £
Fixed assets					
Investments	9		**6,740,326**		6,893,616
Current assets					
Cash at bank and in hand		**130,616**		77,010	
Debtors	10	**29,847**		26,333	
		160,463		103,343	
Current liabilities					
Creditors: amounts falling due within one year	11	**(74,673)**		(155,583)	
Net current assets (liabilities)			**85,790**		(52,240)
Total assets less current liabilities			**6,826,116**		6,841,376
Creditors: amounts falling due in more than one year	12		—		(10,000)
Total net assets			**6,826,116**		6,831,376
The funds of the charity:					
Unrestricted funds			**6,826,116**		6,831,376
Total charity funds			**6,826,116**		6,831,376

Approved by the trustees on
and signed on their behalf by:

Lev Mikheev

Lev Mikheev
Trustee

Date: 05/02/2024

Statement of cash flows Year ended 5 April 2023

	Notes	2023 £	2022 £
Cash flows (used in) operating activities	A	**(259,370)**	(252,920)
Cash flows from investing activities:			
Investment income and interest received		**346,916**	322,438
Purchase of investments		**(673,874)**	(378,425)
Proceeds of disposals of investments		**726,047**	210,500
Net cash provided by investing activities		**399,089**	154,513
Increase (decrease) in cash and cash equivalents		**139,719**	(98,407)
Cash and cash equivalents at 6 April	B	**162,324**	260,731
Cash and cash equivalents at 5 April	B	**302,043**	162,324

A Cash flows from operating activities

	2023 £	2022 £
Net movement in funds for the year (as per the statement of financial activities)	**(5,260)**	217,785
Adjustments for:		
Losses (gains) on investments*	**187,230**	(20,549)
Investment income and interest receivable	**(346,916)**	(322,438)
Increase in debtors	**(3,514)**	(2,662)
Decrease in creditors falling due within one year	**(80,910)**	(15,056)
Decrease in creditors falling due in more than one year	**(10,000)**	(110,000)
Net cash (used in) operating activities	**(259,370)**	(252,920)

*Losses (gains) on investments excludes gains on foreign currency contracts (see note 9).

B Analysis of changes in net debt

	2023 £	2022 £
Cash at bank and in hand	**130,616**	77,010
Cash held by investment managers	**171,427**	85,314
Total cash and cash equivalents	**302,043**	162,324

The Mikheev Charitable Trust does not have any borrowings or lease obligations. Net debt consists therefore of the cash at bank and in hand.

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are as follows:

Basis of preparation

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The accounts have been prepared 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 United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The accounts are prepared in sterling and are rounded to the nearest British pound, which is the functional currency of the charity.

Critical accounting estimates and areas of judgement

There are no significant areas of judgement or key assumptions that affect items in the accounts. With respect to the next reporting period, the most significant areas of uncertainty are the carrying value of investment assets held by the charity, which will depend on the performance of investment markets and the investment income from these assets.

Bridges Property Alternative Unit Trust (Fund III Units)

Fund III investments are valued according to the International Private Equity and Venture Capital Valuation Guidelines. Bridges Ventures carries out quarterly valuations of every unrealised investment in its portfolio for Fund III. These valuations are undertaken by the investment professionals responsible for the relevant investment. These valuations are then reviewed and approved by each fund's valuation committee.

Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect to a period of one year from the date of approval of these accounts.

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. This is because the value of assets held by the charity is materially in excess of the liabilities of the charity and the level of commitments in respect of grants approved for projects payable in future years.

Income recognition

All income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid is recognised at the time of the donation.

Income recognition (continued)
Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. Interest on investments is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank or investment manager.

Income derived from the letting of the charity's investment property is recognised in the period to which the tenancy relates, when it is probable that the funds will be received.

Expenditure recognition
Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Included in direct costs are grants payable which are included in the statement of financial activities in the year in which they are approved for payment. Provision is made for grants approved but unpaid at the reporting date.

Support costs include indirect costs and governance costs, which comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice.

These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs.

All costs are allocated between the expenditure categories of the statement of financial activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on an appropriate basis.

Expenditure is stated inclusive of any attributable VAT which cannot be recovered.

Allocation of support costs
Support costs are apportioned between the charitable activities undertaken in the year on the basis of the ratio of expenditure between charitable activities.

Support costs relating to charitable activities have been apportioned based on the number of individual grant awards made in recognition that the administrative costs of awarding, monitoring and assessing research grants, salary support grants and postgraduate scholarships are broadly equivalent. The allocation of support and governance costs is analysed in note 5.

Fixed asset investments
Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

Fixed asset investments (continued)
Investments in private funds are recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the International Private Equity and Venture Capital Valuation Guidelines as noted above.

The charity does not acquire put options, derivatives or other complex financial instruments.

Investment property is included in the accounts at the estimated market value at the year end. The valuation is determined by independent professional valuers, Savills, and the trustees assess the value at each reporting date in line with the revaluation model.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value is acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

Debtors
Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid.

Cash at bank and in hand
Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Creditors and provisions
Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt.

Financial instruments
The charity only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the charity and their measurement basis are as follows:

Financial assets – other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

Cash at bank – classified as a basic financial instrument and is measured at face value.

Financial liabilities – accruals and other creditors are financial instruments and are measured at amortised cost.

Fund accounting
Unrestricted funds are available to spend on activities that further any of the purposes of charity.

1 Investment income

	Unrestricted funds	
	2023 **£**	2022 £
Dividends received	**126,562**	109,080
Interest on cash deposits	**597**	—
Rental from investment property	**219,757**	213,358
	346,916	322,438

2 Raising funds

	Unrestricted funds	
	2023 **£**	2022 £
Investment property management costs	**35,402**	34,610
	35,402	34,610

3 Charitable activities

	Grant funding (note 4)	Support costs (note 5)	**2023** **£**	2022 £
Education, Science and Policy Making	83,285	61,953	**145,238**	8,722
Advancement of Religion	4,000	2,975	**6,975**	47,589
Overseas Aid	—	-	**-**	26,076
Advancement of Arts	7,410	5,512	**12,922**	6,845
Relief of Poverty	14,000	10,414	**24,414**	11,734
Community Outreach	26,005	19,344	**45,349**	27,380
	134,700	100,198	**234,898**	128,346

	Grant funding (note 4)	*Support costs (note 5)*	*2022 £*
Education, Science and Policy Making	*(7,291)*	*16,013*	*8,722*
Advancement of Religion	*36,500*	*11,089*	*47,589*
Health	*20,000*	*6,076*	*26,076*
Advancement of Arts	*5,250*	*1,595*	*6,845*
Relief of Poverty	*9,000*	*2,734*	*11,734*
Community Outreach	*21,000*	*6,380*	*27,380*
	84,459	*43,887*	*128,346*

4 Analysis of grants

All grants provided during the year were given to institutions; no individual received a direct donation. Recipients of institutional grants were as follows:

	Unrestricted funds	
	2023	2022
	£	£
Dalgarno Neighbourhood Trust	**13,005**	10,000
Hall School Charitable Trust	—	25,000
London School of Jewish Studies	**500**	33,000
Paddington Food Bank	**14,000**	9,000
The Prince's Teaching Institute	**12,500**	12,500
Princeton University (3 year commitment)	**13,140**	6,673
Red Cross Appeal - Ukraine	—	20,000
Royal Opera House	**7,410**	5,250
St Mary's Ukrainian School	**7,565**	—
St Paul's School	**15,080**	—
University of Cambridge	**5,000**	5,000
University of Cambridge*	**30,000**	(60,000)
University of Copenhagen	—	3,536
Westminster Synagogue	**3,500**	3,500
The Winchester Project	**13,000**	11,000
	134,700	84,459

*In 2018, the trustees agreed to fund a Studentship at Cambridge University for a total of £50,000 over 3 years and the full grant was recognised in expenditure. However, all suitable candidates were already in receipt of funding. In 2019, the trustees agreed to allocate £30,000pa over 3 years to a studentship. As the term of the agreement came to an end in 2022, the remaining balance was written back to expenditure in the prior year.

5 Support costs

	Unrestricted funds	
	2023	2022
	£	£
Governance costs		
. Accounting fees	—	960
. Audit fees	**6,475**	5,910
. Other fees	**2,735**	2,370
Staff costs (note 6)	**23,878**	23,590
Bank charges	**1,618**	1,283
Investment management fees	**8,872**	8,785
Foreign exchange loss	**56,620**	989
	100,198	43,887

Support costs are apportioned between the charitable activities undertaken in the year on the basis of the ratio of expenditure between charitable activities.

6 Staff costs

	Unrestricted funds	
	2023	2022
	£	£
Salaries and wages	**21,600**	21,600
Social security costs	**1,817**	1,760
Pension contributions	**461**	230
	23,878	23,590

The average and full time equivalent number of employees during the year was one (2022 – one).

7 Trustees and key management personnel remuneration

None of the trustees and therefore key management personnel of the charity (or any persons connected with them) have been paid any remuneration or received any other benefits during the period (2022 – £nil). No trustee expenses have been incurred during the year (2022 – £nil).

8 Auditors' remuneration

The auditor's remuneration for the year is £9,210 inclusive of VAT (2022 – £9,240) and is made up as follows:

	2023	2022
	£	£
Statutory audit		
.Current year audit	**6,000**	5,220
.Prior year audit	**475**	—
Other services	**2,735**	4,020
	9,210	9,240

9 Investments

	2023	2022
	£	£
Investment properties	**4,700,000**	4,700,000
Listed investments	**1,868,899**	2,108,302
Cash held by investment manager for re-investment	**171,427**	85,314
	6,740,326	6,893,616

Investment properties

	2023	2022
	£	£
Market value at 6 April	**4,700,000**	4,700,000
Unrealised gains on revaluation	**—**	—
Market value at 5 April	**4,700,000**	4,700,000
Historical cost of investment properties at 5 April	**5,278,152**	5,278,152

9 Investments (continued)

The investment property was revalued by an independent valuer in October 2021 through considering the value of the property based on the rental income, whilst also considering the vacant possession value of the 14 flats, on the basis that they could be sold individually on termination of the lease.

Listed investments and cash held

	2023 £	2022 £
Market value of investments at 6 April	2,108,302	1,919,828
Additions at cost	673,874	378,425
Disposals at book value (proceeds: £726,047, realised gains: £22,906)	(703,141)	(209,942)
Net gains (losses) on revaluation at 5 April	(210,136)	19,991
Market value of investments as at 5 April	**1,868,899**	2,108,302
Cash held for investment*	171,427	85,314
Total market value of investments at 5 April	**2,040,326**	2,193,616
Historical cost of listed investments at 5 April (excluding cash)	**2,023,037**	2,038,556

*Cash held for reinvestment includes a gain of £105,354 (2022 – £37,754 of gain) on foreign currency contracts in the year which are included as part of the cash within the London & Capital investment portfolio.

Investments held at 5 April comprised the following:

	2023 £	2022 £
Property unit trusts	**326,113**	421,710
UK bonds	**1,516,088**	1,686,592
	1,842,201	2,108,302

The total unrealised losses (for the investment property and listed investments) as at 5 April constitute movements on revaluation and are as follows:

	2023 £	2022 £
Reconciliation of movements in unrealised gains (losses)		
Unrealised (losses) at 6 April	**(507,292)**	(526,725)
Less: in respect to disposals in the year	**(14,862)**	(558)
Add: net (losses) gains arising on revaluation in the year	**(210,136)**	19,991
Total unrealised gains (losses) at 5 April	**(732,290)**	(507,292)

10 Debtors: falling due within one year

	2023 £	2022 £
Prepayments and accrued investment income	**29,847**	26,333
	29,847	26,333

11 Creditors: falling due within one year

	2023 £	2022 £
Other creditors	**50,400**	66,254
Grant commitments	**13,000**	80,000
Accruals	**11,273**	9,329
	74,673	155,583

12 Creditors: falling due in more than one year

As at 5 April, the charity had further commitments in respect of grants approved to the London School for Jewish Studies which relate to future periods as follows:

	2023 £	2022 £
. Payable between two and five years	**—**	10,000
	—	10,000

13 Related party transactions

During the year, the charity incurred expenditure totalling £4,350 (2022 - £nil) to Factum UK in return for property advisory services. Charles Woolhouse, the founder and CEO of Factum UK, is the spouse of Katerina Woolhouse, a Trustee of the charity. There were no amounts payable at the year-end (2022 – £nil).

There were no other transactions with any related parties during the current or previous financial year.

Accounts

The Mikheev Charitable Trust

Annual Report and Accounts

5 April 2022

Charity Registration Number
1162591

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Reference and administrative information Year ended 5 April 2022

Trustees	Lev Victor Mikheev (Founder Trustee) Natalia Mikheev Adrian Weller Katerina Woolhouse
Principal office	C/O Withers LLP 20 Old Bailey London EC4M 7AN
Charity number	1162591
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	JP Morgan International Bank Ltd 1 Knightsbridge London SWX 7LX
Investment managers	London & Capital Two Fitzroy Place 8 Mortimer Street London W1T 3JJ
	Bridges Fund Management 38 Seymour Street London W1H 7BP
Solicitors	Withers LLP 20 Old Bailey London EC4M 7AN

The trustees of The Mikheev Charitable Trust are pleased to present their annual report and accounts for the year ended 5 April 2022. The accounts have been prepared in accordance with the accounting policies set out on pages 18 to 21 and comply with the Trust Deed, the Charities Act 2011 and 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).

OBJECTIVES AND ACTIVITIES

Objects

The objects of the charity allow the trustees to apply the income and capital of the charity for such charitable purposes as they may, in applying their discretion, from time to time decide. This reflects the trustees' interest in a wide variety of charitable projects and purposes, and their expectation that their philanthropic aims may grow and develop over time.

Grant making policy

The charity furthers these objects by making grants to exclusively charitable projects, in line with the charity's grant making policy. The charity focuses in particular on projects aimed at the advancement of education, science, religion and the arts. Grants are generally to be made to established charitable organisations with a track record for delivering benefit to the public.

The trustees' aim in making charitable grants in these areas is to:

- Increase the education of the public through its enjoyment of the arts, including but not limited to increasing the access of individuals to artistic works and the general edification and enjoyment of audiences.
- To advance the education of the public in areas relevant to policy making and thereby to improve the conditions generally of communities affected by such policies.
- To attract extraordinary talent to centres of excellence in the UK, which the trustees believe ultimately improve the lives of a vast number of ordinary people. These centres of excellence utilise synergy to magnify productivity, and therefore exert great influence on the development of society. The UK is blessed particularly with a large number of such productive centres and the trustees wish to support them.
- To support projects at the top academic institutions in the UK aimed at bridging the gap between cutting edge research and policy making.
- To support the Science of Ageing and Longevity. The rapid increase in life expectancy in developed and middle-income countries has made the current medical model increasingly unable to cope with the burden of chronic, rather than acute, disease. Advances in Geroscience show promise of resolving this conundrum.
- To supports certain religious entities and their own charitable endeavours.
- In light of extraordinary stress put on vulnerable segments of the population by the Covid-19 pandemic, the trustees have resolved to extend grants to provide direct support to those most affected.

In order to fund such grant making, the charity has focused on establishing and maintaining investments to provide stable income and moderate capital growth.

Grant making policy (continued)

The trustees do not invite donation applications from charities generally. The trustees however expect to draw on their own experience and knowledge (and their own research when necessary) of the charitable organisations operating in the areas which they wish to support to satisfy themselves that donations are appropriately targeted.

Activities for the year

During this period, and in keeping with the aims set out in the grant making policy, the Board approved donations totalling £144,459 (2021 – £334,967) as set out in note 3. In making these donations the trustees confirm that they have referred to the Charity Commission's general guidance on the public benefit.

In keeping with the plan to establish and maintain good quality investments sufficient to fund donations to established charities, and in drawing on the Board's collective experience and knowledge of the property market, the Board holds the following investments:

(1) 14 units in Cambridge, let out to Citystay, a provider of serviced apartments. A new tenancy agreement with Citystay commenced in May 2020 with a 5 year term (as described below);

(2) In maintaining a property investment approach, but focusing on diversification, the Board continues to subscribe to units in the Bridges Property Alternative Unit Trust; and

(3) In investing in listed securities as managed by London and Capital, some of which is in US dollars in order to fund the US grants activities.

Details of the above investments are set out in note 9.

The Board believes that these investments, together with others that the Board may from time to time consider suitable (and which are in keeping with the investment policy) are expected to provide the good quality financial returns that will in turn enable the charity to fund donations to other established charitable organisations involved with (but not necessarily limited to) the advancement of religion, education and science, and the arts.

ACHIEVEMENTS AND PERFORMANCE

In the reporting period, the trustees made grants totalling £144,459 (2021 – £334,967) to established charitable organisations with a track record for delivering benefit to the public (see note 3). During the year, the charity has also written back £60,000 to expenditure being the unspent funds on a multi-year commitment which came to an end during the year.

Income

The charity enjoyed a regular income stream from the long-term lease of Midsummer Mews, Napier Street, Cambridge, providing the core of the Trust income. Rental income for the year ended 5 April 2022 amounted to £213,358 (2021 – £155,731) with the increase owing to a short term rent-free period in the previous year.

Distributions from Bridges Property Fund were greatly reduced during this period, although have picked up again for the 2022-23 year. As a result of this drop off in distribution, as well as the general change in composition of the investment portfolios, overall investment income dropped from £188,600 in the year to 5 April 2021 to £109,080 in the year to 5 April 2022.

Donations

In line with the grant making policy, the trustees are committed to furthering education. They continue to support The Princes Teaching Institute (PTI) and Lev and Natalia Mikheev remain actively involved. The PTI supports professional development for teachers. The trustees also continue to support the Hall School, with which the Mikheev family have a long-standing association. The trustees have made donations in accordance with multi-year commitments to both. The PTI received £12,500 and the Hall School £25,000.

In the area of religion, the trustees continue to support two Judaic institutions: the Westminster Synagogue and the London School of Jewish Studies.

The trustees also remain of the view the Horn Fellowship at Cambridge University is a centre of excellence and accordingly have made a donation of £5,000. There were two further donations to support worthy projects at Cambridge University. One was the last instalment of £25,000 towards the Michael Fisher Studentship. This is a PhD fellowship for an overseas student in machine learning and was awarded to James Allingham whose research interests lie in the combination of deep learning and probabilistic machine learning methods. The second was £5,000 towards the travel or other expenses of renowned astronomer Lord Martin Rees

In the previous year, in light of the Covid-19 pandemic having a profound effect on livelihoods, the trustees decided to support local community organisations. This was partly due to reduced activity in the arts sector also as a result of the pandemic. Although the pandemic has subsided, the economic effects and uncertainty continues and the trustees have decided to continue their montly £1,000 donations to each of the North Paddington Food Bank and the Dalgarno Trust.

In addition, the charity continues regular donations to the Winch, a North London community charity. The Winch is active in a number of areas including (1) supporting young people by coordinating interaction with school, social workers and other agencies and (2) encouraging investment in community infrastructure.

Finally, the Mikheev family has been greatly affected by the breakout of the war in Ukraine and wished to support the relief effort for those immediately affected within Ukraine. Victor Mikheev, Lev and Natalia Mikheev's son, organised a fundraiser in support of the Red Cross Ukraine Appeal, which the Mikheev Charitable Trust pledged to match. The resulting donation of £20,000 was made on 14 February 2022.

ACHIEVEMENTS AND PERFORMANCE (continued)

Donations (continued)

In light of the ongoing pandemic, there were no donations to the Royal Opera House in this financial year.

FINANCIAL REVIEW

Financial performance and position

A summary of the year's results can be found on page 15 of this report and accounts.

The accounts for the year ended 5 April 2022 show total income of £322,438 (2021 – £344,361). The principal source of income consists of income generated by investments. The Trust will to continue to operate going forward on income generated from existing assets.

Expenditure during the year amounted to £162,956 (2021 – £356,718) with the fall in year attributable mainly to a decrease in grants payable.

There is an overall net increase in funds of £217,785 (2021 – £124,782) due to a surplus of income over expenditure and movements on the charity's investments which had an unrealised gain of £58,303 in the year ended 5 April 2022 (2021 – £137,139).

The charity holds all its funds as unrestricted funds, and at the balance sheet date, these totalled £6,831,376 (2021 – £6,613,591) of which the largest component is the charity's investments which stood at £6,893,616 (2021 – £6,833,207) at 5 April 2022.

Risk

The trustees have assessed the major financial, operational and administrative risks to which the charity is exposed in the delivery of the charitable objectives as:

- The performance of investments – the risk of poor investment return represents the charity's major financial risk. The trustees consider that they effectively mitigate this risk by selecting good quality investments where a medium level of risk is considered acceptable to achieve sound regular returns. The trustees make such selections by making use of their collective knowledge and experience of investment matters generally, and property investments in particular, taking such advice as may be necessary in relation to particular investments. The trustees consider that they have made investments on sound terms (as an example, the income from the property investment is fixed known up front whilst arrangements have been entered into that mitigate the risk of inflation and the property standing unlet).

FINANCIAL REVIEW (continued)

Risk (continued)
Operational risk from ineffective grant making – operationally the charity's major risk is that grants are not effectively made for charitable purposes for the public benefit. The trustees mitigate this risk by making grants according to their grant making policy. This requires, amongst other things, that the trustees seek to satisfy themselves that each grant is made in furtherance of a charitable purpose that offers an identifiable benefit to the public or a significant section of the public. In addition they consider and regularly review the Charity Commission's guidance on public benefit. Although the charity may make grants to other organisations, the trustees further consider that their practice of making grants to UK registered or exempt charities, with a track record of delivering charitable projects for the public benefit, is an effective means of further mitigating this risk.

Reserves policy
This charity is a grant-making charity, fully relying on investment income from its assets rather than external donations to fulfil its stated goals. In principle, all of its assets can be realised to meet unforeseen needs. In practice the property assets are quite illiquid, and the trustees would do their best to avoid a fire sale. However, the bond portfolio managed by London and Capital is liquid and the bond prices are relatively stable. If fully liquidated, the proceeds from this portfolio would cover 6-7 years of expected grants, eliminating any need for other reserves. The size of this investment is governed by the aggregate portfolio optimisation, rather than any need for such substantial reserves.

Therefore, the main consideration for the trustees is the amount of cash balances retained in the bank versus those invested in the bond portfolio. The trustees consider it prudent to keep those balances at slightly over 3 months of projected outlays (i.e. staff costs, anticipated grants and service provider fees), net of the rental and bond portfolio income. The cash balance at 5 April 2022 was £162,324 (2021 – £260,731), split between cash at bank of £77,010 and cash held by investment managers of £85,314.

The trustees consider it prudent to maintain the current level of cash reserves and have decided not to reinvest the surplus.

Investment power
The trustees may apply any money to be invested in the purchase of or at interest upon the security of such shares, stocks, funds, securities, land, buildings, chattels or other investments or property of whatever nature and wherever situate, and whether involving liabilities or producing income or not, as they think fit, so that they shall have the same powers to apply money to be invested as if they were an absolute beneficial owner.

Investment policy and performance
The trustees have made investments and commitments to invest with a view to securing the long-term sustainability of the charity. The trustees have formulated their policy on investment on the following principles:

FINANCIAL REVIEW (continued)

Investment policy and performance (continued)

- The investment objective is to generate a return of inflation plus 4% per annum over the long term, after expenses. This should allow the charity to at least maintain the real value of the assets, whilst funding annual expenditure in the region of 4% per annum.

- The trustees will consider the timing of returns and the charity's liquidity generally to ensure there are sufficient available assets to make charitable grants at an expected level of £100,000 - £200,000 per annum.

In considering and making investments, the trustees shall know, and act within, the charity's powers to invest and act solely in the best interests of the charity. The trustees will select investments that are appropriate for the charity, taking account of how suitable any investment is for the charity, including the investment type or class and the terms of the particular investment, the likely income and capital growth, and any other factors relevant to the investment.

The overall approach is for investments to achieve good quality returns for an acceptable level of risk over the long term. In making use of their collective knowledge, skill and experience when making investment decisions, the trustees have directed the charity to seek property investments where a medium level of risk is considered acceptable to achieve returns.

In the short to medium term, the trustees are looking to generate income of approximately £250,000 per annum from investments. The majority of this income will be available to donate to charitable organisations. A sum will also be retained to meet the day-to-day administration and investment management costs of operating the charity, which are not expected to exceed £65,000 (before any foreign exchange losses) in any given year. Such administrative costs include a fee payable to the managing agent of the Cambridge development (Bidwells), buildings insurance for the property, and legal and accounting fees.

The trustees acknowledge the nature of the investments. In selecting these, the trustees have taken appropriate professional advice with respect to property investment as well as drawing on their own knowledge of the property market. In doing so the trustees have regard for the social, environmental and ethical considerations of any investments to ensure they align these with the charity's own objectives.

The charity's investments are reviewed on a regular basis which includes the preparation of cash flows and budgets to consider the eventual return on investment as well as reviewing the performance of any appointed investment managers and whether any further diversification strategy is warranted.

The trustees confirm they have taken into account the Charity Commission guidance CC14: Charities and Investment Matters, in relation to making investments and aim to ensure that as far as possible they do not incur non-charitable expenditure by making any investments or loans that are not approved charitable investments or loans as defined in the Income Tax Act 2007 (and take any advice as needed in this regard).

The trustees are satisfied with the level of investment performance during the year ended 5 April 2022 and that it complied with the investment policy.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document: Trust Deed dated 14 May 2015
Registered Charity No.: 1162591

Appointment of trustees

The trustees who served during the period were Lev Viktor Mikheev, Natalia Mikheev, Adrian Weller and Katerina Woolhouse.

The power of appointing new trustees is vested in the trustees. A trustee may be appointed or discharged by a resolution of a meeting of the trustees, provided that a memorandum declaring such appointment or discharge shall be signed as a deed, either at the meeting by the person presiding or in some other manner directed by the meeting and attested by two other persons present at the meeting.

A new trustee or new trustees may be appointed at any time (either by way of replacement or addition), and notwithstanding that the total number of trustees may exceed four but so that the total number of trustees shall at no time exceed seven.

New trustees are selected with regard to the knowledge, skill and expertise appropriate for the effective administration of the charity and the delivery of the charitable objectives. New trustees are briefed on their legal obligations under charity and company law, on their role and responsibilities as trustees, the charity commission on public benefit, the contents of the governing document, the decision-making process, the business plans and the recent financial performance of the charity.

All trustees give of their time freely and no trustee was paid remuneration in the year. The trustees consider themselves as the key management of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis. Trustees are required to disclose all relevant interests and to withdraw from the decision-making process where a conflict of interest arises.

All decisions are taken collectively by the trustees in a validly convened meeting or in a written decision. The trustees additionally have the power to take unanimous decisions informally, provided they ratify the same at their next meeting.

Powers in relation to land

Subject to such restrictions imposed on them, and with such consents as may be required by law, the trustees shall have all the powers of an absolute beneficial owner in relation to the disposition, development and improvement of any land comprised in the Trust. The trustees shall not be bound to maintain any building or other structure on land comprised in the Trust or to preserve or repair any chattels comprised in the Trust.

The trustees may transfer land comprised in the Trust to such other charitable body or bodies, having objects the same as or similar to the objects, on such terms as the trustees shall in their discretion think fit.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Power to employ staff and pay for services
The trustees are empowered under the terms of the Trust Deed to employ any person or firm, not being a trustee, to manage or assist in managing the day-to-day running of the Trust or act as secretary. As above, they have not delegated any decision-making and take all decisions collectively.

Fundraising statement
The charity is solely funded from its investments and does not invite nor accept any external funds from the general public. The only examples of fundraising activities undertaken are discrete activities by trustees, such as in connection with participation in a sporting event, but none such has occurred in the last financial year. In such cases, only personal contacts of the trustees are contacted to invite small donations. Fundraising is not undertaken by anyone acting on the charity's behalf, and no professional fundraiser or commercial participator carries out any fundraising activities. The trustees do not foresee any change to the charity's approach to fundraising and consequently to do not presently subscribe to any fundraising standards or schemes.

Statement of trustees' responsibilities
The trustees are responsible for preparing the trustees' report and accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales 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 income and 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;
- observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust Deed. 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.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Statement of trustees' responsibilities (continued)
The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

The trustees' report was approved by the board of trustees by

Lev Mikheev

Date: 12 January 2023

Independent auditor's report to the trustees of The Mikheev Charitable Trust

Opinion

We have audited the accounts of The Mikheev Charitable Trust (the 'charity') for the year ended 5 April 2022 which comprise the statement of financial activities, the balance sheet the statement of cash flows, the principal accounting policies and the notes to the accounts. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- give a true and fair view of the state of the charity's affairs as at 5 April 2022 and of 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 Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the accounts, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the accounts is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and parent charity's ability to continue as a going concern for a period of at least twelve months from when the accounts are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the accounts or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the trustees' annual report is inconsistent in any material respect with the accounts; or
- sufficient accounting records have not been kept; or
- the accounts are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these accounts.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011).
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- tested authorisation controls on expenditure items, ensuring all expenditure was approved in line with the charity's financial procedures.

Auditor's responsibilities for the audit of the accounts (continued)
In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing any available correspondence with HMRC and the charity's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report
This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date:23 January 2023

Buzzacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Statement of financial activities Year ended 5 April 2022

	Notes	Unrestricted funds 2022 £	2021 £
Income from:			
Investments	1	**322,438**	344,361
Total income		**322,438**	344,361
Expenditure on:			
Raising funds	2	**34,610**	33,648
Charitable activities	3	**128,346**	323,070
Total expenditure		**162,956**	356,718
Net income (expenditure) before gains on investments		**159,482**	(12,357)
Net gains on investments	9	**58,303**	137,139
Net income and net movement in funds for the year		**217,785**	124,782
Reconciliation of funds			
Total funds brought forward		**6,613,591**	6,488,809
Total funds carried forward		**6,831,376**	6,613,591

All of the Trust's activities derived from continuing operations during the above two financial periods.

All gains and losses recognised in the year are included in the above statement of financial activities.

Balance sheet As at 5 April 2022

	Notes	**2022** £	**2022** £	2021 £	2021 £
Fixed assets					
Investments	9		**6,893,616**		6,833,207
Current assets					
Cash at bank and in hand		**77,010**		47,352	
Debtors	10	**26,333**		23,671	
		103,343		71,023	
Current liabilities					
Creditors: amounts falling due within one year	11	**(155,583)**		(170,639)	
Net current (liabilities)			**(52,240)**		(99,616)
Total assets less current liabilities			**6,841,376**		6,733,591
Creditors: amounts falling due in more than one year	12		**(10,000)**		(120,000)
Total net assets			**6,831,376**		6,613,591
The funds of the charity:					
Unrestricted funds			**6,831,376**		6,613,591
Total charity funds			**6,831,376**		6,613,591

Approved by the trustees on
and signed on their behalf by:

Lev Mikheev
Trustee

Date: 12 January 2023

Statement of cash flows Year ended 5 April 2022

	Notes	2022 £	2021 £
Cash flows (used in) operating activities	A	**(252,920)**	(425,938)
Cash flows from investing activities:			
Investment income and interest received		**322,438**	344,361
Purchase of investments		**(378,425)**	(129,271)
Proceeds of disposals of investments		**210,500**	153,885
Net cash provided by investing activities		**154,513**	368,975
(Decrease) in cash and cash equivalents		**(98,407)**	(56,963)
Cash and cash equivalents at 6 April	B	**260,731**	317,694
Cash and cash equivalents at 5 April	B	**162,324**	260,731

A Cash flows from operating activities

	2022 £	2021 £
Net movement in funds for the year (as per the statement of financial activities)	**217,785**	124,782
Adjustments for:		
Gains on investments	**(20,549)**	(322,339)
Investment income and interest receivable	**(322,438)**	(344,361)
(Increase) decrease in debtors	**(2,662)**	5,635
(Decrease) increase in creditors falling due within one year	**(15,056)**	40,345
(Decrease) increase in creditors falling due in more than one year	**(110,000)**	70,000
Net cash (used in) operating activities	**(252,920)**	(425,938)

B Analysis of changes in net debt

	2022 £	2021 £
Cash at bank and in hand	**77,010**	47,352
Cash held by investment managers	**85,314**	213,379
Total cash and cash equivalents	**162,324**	260,731

The Mikheev Charitable Trust does not have any borrowings or lease obligations. Net debt consists therefore of the cash at bank and in hand.

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are as follows:

Basis of preparation

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The accounts have been prepared 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 United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The accounts are prepared in sterling and are rounded to the nearest British pound, which is the functional currency of the charity.

Critical accounting estimates and areas of judgement

There are no significant areas of judgement or key assumptions that affect items in the accounts. With respect to the next reporting period, the most significant areas of uncertainty are the carrying value of investment assets held by the charity, which will depend on the performance of investment markets and the investment income from these assets.

Bridges Property Alternative Unit Trust (Fund III Units)

Fund III investments are valued according to the International Private Equity and Venture Capital Valuation Guidelines. Bridges Ventures carries out quarterly valuations of every unrealised investment in its portfolio for Fund III. These valuations are undertaken by the investment professionals responsible for the relevant investment. These valuations are then reviewed and approved by each fund's valuation committee.

Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect to a period of one year from the date of approval of these accounts.

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. This is because the value of assets held by the charity is materially in excess of the liabilities of the charity and the level of commitments in respect of grants approved for projects payable in future years.

Income recognition
All income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid is recognised at the time of the donation.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. Interest on investments is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank or investment manager.

Income derived from the letting of the charity's investment property is recognised in the period to which the tenancy relates, when it is probable that the funds will be received.

Expenditure recognition
Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Included in direct costs are grants payable which are included in the statement of financial activities in the year in which payment falls due. Provision is made for grants approved and due but unpaid at the reporting date. Grants approved but not due for payment at the year end are noted as grant commitments in the notes to the accounts.

Support costs include indirect costs and governance costs, which comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice.

These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs.

All costs are allocated between the expenditure categories of the statement of financial activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on an appropriate basis.

Expenditure is stated inclusive of any attributable VAT which cannot be recovered.

Allocation of support costs
Support costs are apportioned between the charitable activities undertaken in the year on the basis of the ratio of expenditure between charitable activities.

Support costs relating to charitable activities have been apportioned based on the number of individual grant awards made in recognition that the administrative costs of awarding, monitoring and assessing research grants, salary support grants and postgraduate

Expenditure recognition (continued)
scholarships are broadly equivalent. The allocation of support and governance costs is analysed in note 5.

Fixed asset investments
Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

Investments in private funds are recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the International Private Equity and Venture Capital Valuation Guidelines as noted above.

The charity does not acquire put options, derivatives or other complex financial instruments.

Investment property is included in the accounts at the estimated market value at the year end. The valuation is determined by independent professional valuers, Savills, and the trustees assess the value at each reporting date in line with the revaluation model.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value is acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

Debtors
Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid.

Cash at bank and in hand
Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Creditors and provisions
Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt.

Financial instruments
The charity only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the charity and their measurement basis are as follows:

Financial assets – other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

Cash at bank – classified as a basic financial instrument and is measured at face value.

Financial instruments (continued)

Financial liabilities – accruals and other creditors are financial instruments and are measured at amortised cost.

Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity.

1 Investment income

	Unrestricted funds	
	2022	2021
	£	£
Dividends received	**109,080**	188,600
Interest on cash deposits	—	30
Rental from investment property	**213,358**	155,731
	322,438	344,361

2 Raising funds

	Unrestricted funds	
	2022	2021
	£	£
Investment property management costs	**34,610**	33,648
	34,610	33,648

3 Charitable activities

	Grant funding (note 4)	Support costs (note 5)	**2022** **£**	2021 £
Education, Science and Policy Making	(7,291)	16,013	**8,722**	247,177
Advancement of Religion	36,500	11,089	**47,589**	7,981
Overseas Aid	20,000	6,076	**26,076**	1,972
Advancement of Arts	5,250	1,595	**6,845**	42,254
Relief of Poverty	9,000	2,734	**11,734**	9,390
Community Outreach	21,000	6,380	**27,380**	14,296
	84,459	43,887	**128,346**	323,070

	Grant funding (note 4)	*Support costs (note 5)*	*2021 £*
Education, Science and Policy Making	*254,142*	*(6,965)*	*247,177*
Advancement of Religion	*8,500*	*(519)*	*7,981*
Health	*2,100*	*(128)*	*1,972*
Advancement of Arts	*45,000*	*(2,746)*	*42,254*
Relief of Poverty	*10,000*	*(610)*	*9,390*
Community Outreach	*15,225*	*(929)*	*14,296*
	334,967	*(11,897)**	*323,070*

*Support costs are negative in the year ended 5 April 2021 due to a large foreign exchange gain on converting cash held by London and Capital in US Dollars at year end. Further details can be found at note 5.

4 Analysis of grants

All grants provided during the year were given to institutions; no individual received a direct donation. Recipients of institutional grants were as follows:

	Unrestricted funds	
	2022	2021
	£	£
Beit Issie Shapiro	—	2,000
Dalgarno Neighbourhood Trust	**10,000**	5,225
Hall School Charitable Trust	**25,000**	25,000
Jewish Care	—	100
London School of Jewish Studies	**33,000**	5,000
Paddington Food Bank	**9,000**	10,000
The Prince's Teaching Institute	**12,500**	12,500
Princeton University (3 year commitment)	**6,673**	211,642
Red Cross Appeal - Ukraine	**20,000**	—
Royal Opera House	**5,250**	45,000
University of Cambridge	**5,000**	5,000
University of Cambridge*	**(60,000)**	—
University of Copenhagen	**3,536**	—
Westminster Synagogue	**3,500**	3,500
The Winchester Project	**11,000**	10,000
	84,459	334,967

*In 2018, the trustees agreed to fund a Studentship at Cambridge University for a total of £50,000 over 3 years and the full grant was recognised in expenditure. However, all suitable candidates were already in receipt of funding. In 2019, the trustees agreed to allocate £30,000pa over 3 years to a studentship. As the term of the agreement has now come to an end, the remaining balance has been written back from expenditure.

5 Support costs

	Unrestricted funds	
	2022	2021
	£	£
Governance costs		
. Accounting fees	**960**	660
. Audit fees	**5,910**	4,620
. Other fees	**2,370**	2,340
Staff costs (note 6)	**23,590**	24,964
Bank charges	**1,283**	1,186
Investment management fees	**8,785**	9,036
Foreign exchange loss (gain)	**989**	(54,703)
	43,887	(11,897)

Support costs are apportioned between the charitable activities undertaken in the year on the basis of the ratio of expenditure between charitable activities.

6 Staff costs

	Unrestricted funds	
	2022	2021
	£	£
Salaries and wages	**21,600**	23,000
Social security costs	**1,760**	1,964
Pension contributions	**230**	—
	23,590	24,964

The average and full time equivalent number of employees during the year was one (2021 – one).

7 Trustees and key management personnel remuneration

None of the trustees and therefore key management personnel of the charity (or any persons connected with them) have been paid any remuneration or received any other benefits during the period (2021 – £nil). No trustee expenses have been incurred during the year (2021 – £nil).

8 Auditors' remuneration

The auditor's remuneration for the year is £9,240 (2021 – £7,860) and is made up as follows:

	2022	2021
	£	£
Statutory audit	**5,220**	4,860
Other services	**4,020**	3,000
	9,240	7,860

9 Investments

	2022	2021
	£	£
Investment properties	**4,700,000**	4,700,000
Listed investments	**2,108,302**	1,919,828
Cash held by investment manager for re-investment	**85,314**	213,379
	6,893,616	6,833,207

Investment properties

	2022	2021
	£	£
Market value at 6 April	**4,700,000**	4,600,000
Unrealised gains on revaluation	—	100,000
Market value at 5 April	**4,700,000**	4,700,000
Historical cost of investment properties at 5 April	**5,278,152**	5,278,152

9 Investments (continued)

The investment property was revalued by an independent valuer in October 2021 through considering the value of the property based on the rental income, whilst also considering the vacant possession value of the 14 flats, on the basis that they could be sold individually on termination of the lease.

Listed investments and cash held

	2022 £	2021 £
Market value of investments at 6 April	**1,919,828**	1,722,103
Additions at cost	**378,425**	129,271
Disposals at book value (proceeds: £210,500, realised gains: £558)	**(209,942)**	(153,411)
Net gains (losses) on revaluation at 5 April	**19,991**	221,865
Market value of investments as at 5 April	**2,108,302**	1,919,828
Cash held for investment*	**85,314**	213,379
Total market value of investments at 5 April	**2,193,616**	2,133,207
Historical cost of listed investments at 5 April (excluding cash)	**2,038,556**	1,868,401

*Cash held for reinvestment includes a gain of £37,754 (2021 – £184,726 of losses) on foreign currency contracts in the year which are included as part of the cash within the London & Capital investment portfolio.

Investments held at 5 April comprised the following:

	2022 £	2021 £
Property unit trusts	**421,710**	371,877
UK bonds	**1,686,592**	1,547,951
	2,108,302	1,919,828

The total unrealised losses (for the investment property and listed investments) as at 5 April constitute movements on revaluation and are as follows:

	2022 £	2021 £
Reconciliation of movements in unrealised gains (losses)		
Unrealised (losses) at 6 April	**(526,725)**	(848,116)
Less: in respect to disposals in the year	**(558)**	(474)
Add: net gains arising on revaluation in the year	**19,991**	321,865
Total unrealised gains (losses) at 5 April	**(507,292)**	(526,725)

10 Debtors: falling due within one year

	2022	2021
	£	£
Prepayments and accrued investment income	**26,333**	23,671
	26,333	23,671

11 Creditors: falling due within one year

	2022	2021
	£	£
Other creditors	**66,254**	50,400
Grant commitments	**80,000**	110,000
Accruals	**9,329**	10,239
	155,583	170,639

12 Creditors: falling due in more than one year

As at 5 April, the charity had further commitments in respect of grants approved to the London School for Jewish Studies which relate to future periods as follows:

	2022	2021
	£	£
. Payable between two and five years	**10,000**	120,000
	10,000	120,000

13 Related parties

There were no transactions with any related parties during the current or previous financial year.

Accounts

The Mikheev Charitable Trust

Annual Report and Accounts

5 April 2021

Charity Registration Number
1162591

Contents

Reference and administrative information Year ended 5 April 2021

Trustees	Lev Victor Mikheev (Founder Trustee) Natalia Mikheev Adrian Weller Katerina Woolhouse
Principal office	C/O Withers LLP 20 Old Bailey London EC4M 7AN
Charity number	1162591
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	JP Morgan International Bank Ltd 1 Knightsbridge London SWX 7LX
Investment managers	London & Capital Two Fitzroy Place 8 Mortimer Street London W1T 3JJ
	Bridges Fund Management 38 Seymour Street London W1H 7BP
Solicitors	Withers LLP 20 Old Bailey London EC4M 7AN

The trustees of The Mikheev Charitable Trust are pleased to present their annual report and accounts for the year ended 5 April 2021. The accounts have been prepared in accordance with the accounting policies set out on pages 18 to 21 and comply with the Trust Deed, the Charities Act 2011 and 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).

OBJECTIVES AND ACTIVITIES

Objects

The objects of the charity allow the trustees to apply the income and capital of the charity for such charitable purposes as they may, in applying their discretion, from time to time decide. This reflects the trustees' interest in a wide variety of charitable projects and purposes, and their expectation that their philanthropic aims may grow and develop over time.

Grant making policy

The charity furthers these objects by making grants to exclusively charitable projects, in line with the charity's grant making policy. The charity focuses in particular on projects aimed at the advancement of education, science, religion and the arts. Grants are generally to be made to established charitable organisations with a track record for delivering benefit to the public.

The trustees' aim in making charitable grants in these areas is to:

- increase the education of the public through its enjoyment of the arts, including but not limited to increasing the access of individuals to artistic works and the general edification and enjoyment of audiences; and
- to advance the education of the public in areas relevant to policy making and thereby to improve the conditions generally of communities affected by such policies.

The trustees believe that there exist centres of excellence which exert great influence on the development of society. These centres attract extraordinary talent and utilise synergy to magnify productivity. Over time the work of these institutions affects, and can improve, the lives of a vast number of ordinary people. The UK is blessed particularly with a large number of such extraordinary productive centres. Amongst these are Cambridge University and the Royal Opera House, with which the Mikheev family have personal associations.

The trustees' scientific interests are focused on evidence-based policymaking. One of the original ideas behind the foundation of the charity was to support projects at the top academic institutions in the UK aimed at bridging the gap between cutting edge research and policy making.

The other area at the intersection of Science and Policy that the trustees are actively pursuing is the Science of Ageing and Longevity. The rapid increase in life expectancy in developed and middle-income countries has made the current medical model increasingly unable to cope with the burden of chronic, rather than acute, disease. Advances in Geroscience show promise of resolving this conundrum and the trustees are looking for opportunities to advance the science and its implementations, both in the UK and in the US, where much of the original research has been carried out so far.

Grant making policy (continued)

The charity also supports certain religious and artistic entities, including those with which the Mikheev family have a long-standing connection, such as the Westminster Synagogue and the London School of Jewish Studies in the UK.

In light of extraordinary stress put on vulnerable segments of the population by the Covid-19 pandemic, the trustees have resolved to extend grants to provide direct support to those most affected.

In order to fund such grant making, the charity has focused on establishing and maintaining investments to provide stable income and moderate capital growth.

The trustees do not invite donation applications from charities generally. The trustees however expect to draw on their own experience and knowledge (and their own research when necessary) of the charitable organisations operating in the areas which they wish to support to satisfy themselves that donations are appropriately targeted.

Activities for the year

During this period, and in keeping with the aims set out in the grant making policy, the Board approved donations totalling £334,967 (2020 – £74,000) as set out in note 3. In making these donations the trustees confirm that they have referred to the Charity Commission's general guidance on the public benefit.

In keeping with the plan to establish and maintain good quality investments sufficient to fund donations to established charities, and in drawing on the Board's collective experience and knowledge of the property market, the Board holds the following investments:

(1) 14 units in Cambridge, let out to Citystay, a provider of serviced apartments. A new tenancy agreement with Citystay commenced in May 2020 with a 5 year term (as described below);

(2) In maintaining a property investment approach, but focusing on diversification, the Board continues to subscribe to units in the Bridges Property Alternative Unit Trust; and

(3) In investing in listed securities as managed by London and Capital, some of which is in US dollars in order to fund the US grants activities.

Details of the above investments are set out in note 9.

The Board believes that these investments, together with others that the Board may from time to time consider suitable (and which are in keeping with the investment policy) are expected to provide the good quality financial returns that will in turn enable the charity to fund donations to other established charitable organisations involved with (but not necessarily limited to) the advancement of religion, education and science, and the arts.

ACHIEVEMENTS AND PERFORMANCE

In the reporting period, the trustees made grants totalling £334,967 (2020 – £74,000) to established charitable organisations with a track record for delivering benefit to the public (see note 3).

Income

The charity enjoyed a regular income stream from the long-term lease of Midsummer Mews, Napier Street, Cambridge, providing the core of the Trust income. Rental income for the year ended 5 April 2021 amounted to £155,731 (2020 – £202,105) with the drop owing to a short term rent-free period.

Bridges Property Fund performed well, returning significant profit and initial capital. As this capital was returned, funds were reinvested into the London & Capital Bond Portfolio, increasing its value, though overall investment income dropped from £231,339 at 5 April 2020 to £188,600 at 5 April 2021 as a result of the change in composition of the investment portfolios.

Donations

In support of the Arts, two donations were made to the Royal Opera House totalling £45,000. These donations comprised £15,000 (£13,000 towards the needs of the Royal Opera House orchestra and £2,000 to the home learning program 'Create and Learn') and £30,000 for general purposes.

In line with the grant making policy, the trustees are committed to furthering education. The entities they have selected to support are The Princes Teaching Institute (PTI) with which Lev and Natalia Mikheev are actively involved, and which supports professional development for teachers. The trustees also continue to support the Hall School, with which the Mikheev family have a long-standing association. The trustees have made donations in accordance with multi-year commitments to both. The PTI received £12,500 and the Hall School £25,000.

In the area of religion, the trustees continue to support two Judaic institutions: the Westminster Synagogue and the London School of Jewish Studies.

Two UK centres of excellence are the Centre for Science and Policy and the Horn Fellowship, both at the University of Cambridge. Lev Mikheev and Adrian Weller have both spent considerable time over a number of years reviewing these two projects and concluded that they constitute appropriate targets for charity grants.

As noted above, in light of the stress placed on individuals by the Covid-19 pandemic the trustees have agreed that it would be appropriate to support several local community support organisations. This was deemed appropriate on the basis that the charity has accumulated funds, partly due to reduced activity in the arts sector also as a result of the pandemic. The trustees' have chosen local food banks and soup kitchens: the North Paddington Food Bank and the Dalgarno Trust which runs a food bank and soup kitchen in Notting Hill. These entities are now receiving monthly donations of £1,000.

In addition, the charity has been making regular donations to the Winch, a North London community charity. The Winch is active in a number of areas including (1) supporting young people by coordinating interaction with school, social workers and other agencies and (2) encouraging investment in community infrastructure.

ACHIEVEMENTS AND PERFORMANCE (continued)

Donations (continued)
The trustees have also made a donation to the UK Friends of Beit Issie Shapiro, the UK arm of a leading Israeli charity supporting children with disabilities, and particularly recognised for the development of assistive technologies

FINANCIAL REVIEW

Financial performance and position
A summary of the year's results can be found on page 15 of this report and accounts.

The accounts for the year ended 5 April 2021 show total income of £334,361 (2020 – £433,873). The principal source of income consists of income generated by investments. The Trust will to continue to operate going forward on income generated from existing assets.

Expenditure during the year amounted to £356,718 (2020 – £155,404) with the increase in year attributable mainly to an increase in grants payable.

There is an overall net increase in funds of £124,782 (2020 – £182,459) due to a surplus of income over expenditure and movements on the charity's investments which had an unrealised gain of £137,139 in the year ended 5 April 2021 (2020 – unrelation loss of £96,010).

The charity holds all its funds as unrestricted funds, and at the balance sheet date, these totalled £6,613,591 (2020 – £6,488,809) of which the largest component is the charity's investments which stood at £6,833,207 (2020 – £6,503,817) at 5 April 2021.

Risk
The trustees have assessed the major financial, operational and administrative risks to which the charity is exposed in the delivery of the charitable objectives.as:

- The performance of investments – the risk of poor investment return represents the charity's major financial risk. The trustees consider that they effectively mitigate this risk by selecting good quality investments where a medium level of risk is considered acceptable to achieve sound regular returns. The trustees make such selections by making use of their collective knowledge and experience of investment matters generally, and property investments in particular, taking such advice as may be necessary in relation to particular investments. The trustees consider that they have made investments on sound terms (as an example, the income from the property investment is fixed known up front whilst arrangements have been entered into that mitigate the risk of inflation and the property standing unlet).

FINANCIAL REVIEW (continued)

Risk (continued)

- Operational risk from ineffective grant making – operationally the charity's major risk is that grants are not effectively made for charitable purposes for the public benefit. The trustees mitigate this risk by making grants according to their grant making policy. This requires, amongst other things, that the trustees seek to satisfy themselves that each grant is made in furtherance of a charitable purpose that offers an identifiable benefit to the public or a significant section of the public. In addition they consider and regularly review the Charity Commission's guidance on public benefit. Although the charity may make grants to other organisations, the trustees further consider that their practice of making grants to UK registered or exempt charities, with a track record of delivering charitable projects for the public benefit, is an effective means of further mitigating this risk. In light of the pandemic, as set out above, certain grants were continued but repurposed due to the institutions not being able to fulfil their original purpose at this time. However, it was decided that the financial support provided by the charity's grants would still be effective and in accordance with the charity's purpose.

Reserves policy

This charity is a grant-making charity, fully relying on investment income from its assets rather than external donations to fulfil its stated goals. In principle, all of its assets can be realised to meet unforeseen needs. In practice the property assets are quite illiquid, and the trustees would do their best to avoid a fire sale. However, the bond portfolio managed by London and Capital is liquid and the bond prices are relatively stable. If fully liquidated, the proceeds from this portfolio would cover 6-7 years of expected grants, eliminating any need for other reserves. The size of this investment is governed by the aggregate portfolio optimisation, rather than any need for such substantial reserves.

Therefore, the main consideration for the trustees is the amount of cash balances retained in the bank versus those invested in the bond portfolio. The trustees consider it prudent to keep those balances at slightly over 3 months of projected outlays (i.e. staff costs, anticipated grants and service provider fees), net of the rental and bond portfolio income. The cash balance at 5 April 2021 was £260,731 (2020 – £317,694), split between cash at bank of £47,352 and cash held by investment managers of £213,379.

In light of the uncertainty resulting from the pandemic, the trustees consider it prudent to maintain the current level of cash reserves and have decided not to reinvest the surplus.

Investment power

The trustees may apply any money to be invested in the purchase of or at interest upon the security of such shares, stocks, funds, securities, land, buildings, chattels or other investments or property of whatever nature and wherever situate, and whether involving liabilities or producing income or not, as they think fit, so that they shall have the same powers to apply money to be invested as if they were an absolute beneficial owner.

Investment policy and performance

The trustees have made investments and commitments to invest with a view to securing the long-term sustainability of the charity. The trustees have formulated their policy on investment on the following principles:

FINANCIAL REVIEW (continued)

Investment policy and performance (continued)

- The investment objective is to generate a return of inflation plus 4% per annum over the long term, after expenses. This should allow the charity to at least maintain the real value of the assets, whilst funding annual expenditure in the region of 4% per annum.

- The trustees will consider the timing of returns and the charity's liquidity generally to ensure there are sufficient available assets to make charitable grants at an expected level of £100,000 - £200,000 per annum.

In considering and making investments, the trustees shall know, and act within, the charity's powers to invest and act solely in the best interests of the charity. The trustees will select investments that are appropriate for the charity, taking account of how suitable any investment is for the charity, including the investment type or class and the terms of the particular investment, the likely income and capital growth, and any other factors relevant to the investment.

The overall approach is for investments to achieve good quality returns for an acceptable level of risk over the long term. In making use of their collective knowledge, skill and experience when making investment decisions, the trustees have directed the charity to seek property investments where a medium level of risk is considered acceptable to achieve returns.

In the short to medium term, the trustees are looking to generate income of approximately £250,000 per annum from investments. The majority of this income will be available to donate to charitable organisations. A sum will also be retained to meet the day-to-day administration and investment management costs of operating the charity, which are not expected to exceed £65,000 (before any foreign exchange losses) in any given year. Such administrative costs include a fee payable to the managing agent of the Cambridge development (Bidwells), buildings insurance for the property, and legal and accounting fees.

The trustees acknowledge the nature of the investments. In selecting these, the trustees have taken appropriate professional advice with respect to property investment as well as drawing on their own knowledge of the property market. In doing so the trustees have regard for the social, environmental and ethical considerations of any investments to ensure they align these with the charity's own objectives.

The charity's investments are reviewed on a regular basis which includes the preparation of cash flows and budgets to consider the eventual return on investment as well as reviewing the performance of any appointed investment managers and whether any further diversification strategy is warranted.

The trustees confirm they have taken into account the Charity Commission guidance CC14: Charities and Investment Matters, in relation to making investments and aim to ensure that as far as possible they do not incur non-charitable expenditure by making any investments or loans that are not approved charitable investments or loans as defined in the Income Tax Act 2007 (and take any advice as needed in this regard).

The trustees are satisfied with the level of investment performance during the year ended 5 April 2021 and that it complied with the investment policy.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document: Trust Deed dated 14 May 2015
Registered Charity No.: 1162591

Appointment of trustees

The trustees who served during the period were Lev Viktor Mikheev, Natalia Mikheev, Adrian Weller and Katerina Woolhouse.

The power of appointing new trustees is vested in the trustees. A trustee may be appointed or discharged by a resolution of a meeting of the trustees, provided that a memorandum declaring such appointment or discharge shall be signed as a deed, either at the meeting by the person presiding or in some other manner directed by the meeting and attested by two other persons present at the meeting.

A new trustee or new trustees may be appointed at any time (either by way of replacement or addition), and notwithstanding that the total number of trustees may exceed four but so that the total number of trustees shall at no time exceed seven.

New trustees are selected with regard to the knowledge, skill and expertise appropriate for the effective administration of the charity and the delivery of the charitable objectives. New trustees are briefed on their legal obligations under charity and company law, on their role and responsibilities as trustees, the charity commission on public benefit, the contents of the governing document, the decision-making process, the business plans and the recent financial performance of the charity.

All trustees give of their time freely and no trustee was paid remuneration in the year. The trustees consider themselves as the key management of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis. Trustees are required to disclose all relevant interests and to withdraw from the decision-making process where a conflict of interest arises.

All decisions are taken collectively by the trustees in a validly convened meeting or in a written decision. The trustees additionally have the power to take unanimous decisions informally, provided they ratify the same at their next meeting.

Powers in relation to land

Subject to such restrictions imposed on them, and with such consents as may be required by law, the trustees shall have all the powers of an absolute beneficial owner in relation to the disposition, development and improvement of any land comprised in the Trust. The trustees shall not be bound to maintain any building or other structure on land comprised in the Trust or to preserve or repair any chattels comprised in the Trust.

The trustees may transfer land comprised in the Trust to such other charitable body or bodies, having objects the same as or similar to the objects, on such terms as the trustees shall in their discretion think fit.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Power to employ staff and pay for services
The trustees are empowered under the terms of the Trust Deed to employ any person or firm, not being a trustee, to manage or assist in managing the day-to-day running of the Trust or act as secretary. As above, they have not delegated any decision-making and take all decisions collectively.

Fundraising statement
The charity is now solely funded from its investments and does not invite nor accept any external funds from the general public. The only examples of fundraising activities undertaken are discrete activities by trustees, such as in connection with participation in a sporting event, but none such has occurred in the last financial year. In such cases, only personal contacts of the trustees are contacted to invite small donations. Fundraising is not undertaken by anyone acting on the charity's behalf, and no professional fundraiser or commercial participator carries out any fundraising activities. The trustees do not foresee any change to the charity's approach to fundraising and consequently to do not presently subscribe to any fundraising standards or schemes.

Statement of trustees' responsibilities
The trustees are responsible for preparing the trustees' report and accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales 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 income and 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;
- observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust Deed. 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.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Statement of trustees' responsibilities (continued)

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

The trustees' report was approved by the board of trustees by L. MIKHEEV

Date: 2.02.2022

Independent auditor's report to the trustees of The Mikheev Charitable Trust

Opinion

We have audited the accounts of The Mikheev Charitable Trust (the 'charity') for the year ended 5 April 2021 which comprise the statement of financial activities, the balance sheet the statement of cash flows, the principal accounting policies and the notes to the accounts. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- give a true and fair view of the state of the charity's affairs as at 5 April 2021 and of 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 Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the accounts, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the accounts is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and parent charity's ability to continue as a going concern for a period of at least twelve months from when the accounts are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the accounts or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the trustees' annual report is inconsistent in any material respect with the accounts; or
- sufficient accounting records have not been kept; or
- the accounts are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these accounts.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011).
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- tested authorisation controls on expenditure items, ensuring all expenditure was approved in line with the charity's financial procedures.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing any available correspondence with HMRC and the charity's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Buzzacott LLP

Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 04 February 2022

Buzzacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Statement of financial activities Year ended 5 April 2021

	Notes	Unrestricted funds 2021 £	2020 £
Income from:			
Investments	1	**344,361**	433,873
Total income		**344,361**	433,873
Expenditure on:			
Raising funds	2	**33,648**	27,141
Charitable activities	3	**323,070**	128,263
Total expenditure		**356,718**	155,404
Net (expenditure) income before gains on investments		**(12,357)**	278,469
Net gains (losses) on investments	9	**137,139**	(96,010)
Net income and net movement in funds for the year		**124,782**	182,459
Reconciliation of funds			
Total funds brought forward		**6,488,809**	6,306,350
Total funds carried forward		**6,613,591**	6,488,809

All of the Trust's activities derived from continuing operations during the above two financial periods.

All gains and losses recognised in the year are included in the above statement of financial activities.

Balance sheet As at 5 April 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Investments	9		**6,833,207**		6,503,817
Current assets					
Cash at bank and in hand		**47,352**		135,980	
Debtors	10	**23,671**		29,306	
		71,023		165,286	
Current liabilities					
Creditors: amounts falling due within one year	11	**(170,639)**		(130,294)	
Net current (liabilities) assets			**(99,616)**		34,992
Total assets less current liabilities			**6,733,591**		6,538,809
Creditors: amounts falling due in more than one year	12		**(120,000)**		(50,000)
Total net assets			**6,613,591**		6,488,809
The funds of the charity:					
Unrestricted funds			**6,613,591**		6,488,809
Total charity funds			**6,613,591**		6,488,809

Approved by the trustees on and signed on their behalf by: L. MIKHEEV

Trustee

Date: 2.02.2022

Statement of cash flows Year ended 5 April 2021

	Notes	2021 £	2020 £
Cash flows (used in) operating activities	A	**(425,938)**	(95,669)
Cash flows from investing activities:			
Investment income and interest received		**344,361**	433,873
Purchase of investments		**(129,271)**	(204,900)
Proceeds of disposals of investments		**153,885**	—
Net cash provided by investing activities		**368,975**	228,973
(Decrease) Increase in cash and cash equivalents		**(56,963)**	133,304
Cash and cash equivalents at 6 April	B	**317,694**	184,390
Cash and cash equivalents at 5 April	B	**260,731**	317,694

A Cash flows from operating activities

	2021 £	2020 £
Net movement in funds for the year (as per the statement of financial activities)	**124,782**	182,459
Adjustments for:		
(Gains) losses on investments	**(322,339)**	208,937
Investment income and interest receivable	**(344,361)**	(433,873)
(Increase) decrease in debtors	**5,635**	(3,021)
Increase (decrease) in creditors falling due within one year	**40,345**	(171)
Increase (decrease) in creditors falling due in more than one year	**70,000**	(50,000)
Net cash (used in) operating activities	**(425,938)**	(95,669)

B Analysis of changes in net debt

	2021 £	2020 £
Cash at bank and in hand	**47,352**	135,980
Cash held by investment managers	**213,379**	181,714
Total cash and cash equivalents	**260,731**	317,694

The Mikheev Charitable Trust does not have any borrowings or lease obligations. Net debt consists therefore of the cash at bank and in hand.

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are as follows:

Basis of preparation

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The accounts have been prepared 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 United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The accounts are prepared in sterling and are rounded to the nearest British pound, which is the functional currency of the charity.

Critical accounting estimates and areas of judgement

There are no significant areas of judgement or key assumptions that affect items in the accounts. With respect to the next reporting period, the most significant areas of uncertainty are the carrying value of investment assets held by the charity, which will depend on the performance of investment markets and the investment income from these assets.

The full impact following the emergence of the global coronavirus pandemic is still unknown. It is therefore not currently possible to evaluate all the potential implications for the charity's activities, beneficiaries and the wider economy. Estimates used in the accounts, particularly with respect to the value of listed investments and investment property are subject to a greater degree of uncertainty and volatility.

As set out in these accounting policies under "going concern", below, the trustees have considered the impact of the pandemic on the charity and have concluded that although there may be some negative consequences, it is appropriate for the charity to continue to prepare its accounts on the going concern basis.

Bridges Property Alternative Unit Trust (Fund III Units)

Fund III investments are valued according to the International Private Equity and Venture Capital Valuation Guidelines. Bridges Ventures carries out quarterly valuations of every unrealised investment in its portfolio for Fund III. These valuations are undertaken by the investment professionals responsible for the relevant investment. These valuations are then reviewed and approved by each fund's valuation committee.

Assessment of going concern
The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect to a period of one year from the date of approval of these accounts.

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. This is because the value of assets held by the charity is materially in excess of the liabilities of the charity and the level of commitments in respect of grants approved for projects payable in future years. The most significant areas of judgement that affect items in the accounts are detailed above. With regard to the next accounting period, the year ending 5 April 2022, the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment markets (see the risk management sections of the trustees' report for more information).

Income recognition
All income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid is recognised at the time of the donation.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. Interest on investments is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank or investment manager.

Income derived from the letting of the charity's investment property is recognised in the period to which the tenancy relates, when it is probable that the funds will be received.

Expenditure recognition
Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Included in direct costs are grants payable which are included in the statement of financial activities in the year in which payment falls due. Provision is made for grants approved and due but unpaid at the reporting date. Grants approved but not due for payment at the year end are noted as grant commitments in the notes to the accounts.

Support costs include indirect costs and governance costs, which comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice.

Expenditure recognition (continued)
These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs.

All costs are allocated between the expenditure categories of the statement of financial activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on an appropriate basis.

Expenditure is stated inclusive of any attributable VAT which cannot be recovered.

Allocation of support costs
Support costs are apportioned between the charitable activities undertaken in the year on the basis of the ratio of expenditure between charitable activities.

Support costs relating to charitable activities have been apportioned based on the number of individual grant awards made in recognition that the administrative costs of awarding, monitoring and assessing research grants, salary support grants and postgraduate scholarships are broadly equivalent. The allocation of support and governance costs is analysed in note 5.

Fixed asset investments
Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

Investments in private funds are recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the International Private Equity and Venture Capital Valuation Guidelines as noted above.

The charity does not acquire put options, derivatives or other complex financial instruments.

Investment property is included in the accounts at the estimated market value at the year end. The valuation is determined by independent professional valuers, Savills, and the trustees assess the value at each reporting date in line with the revaluation model.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value is acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

Debtors
Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt.

Financial instruments

The charity only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the charity and their measurement basis are as follows:

Financial assets – other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

Cash at bank – classified as a basic financial instrument and is measured at face value.

Financial liabilities – accruals and other creditors are financial instruments, and are measured at amortised cost.

Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity.

1 Investment income

	Unrestricted funds 2021 £	Unrestricted funds *2020 £*
Dividends received	**188,600**	*231,339*
Interest on cash deposits	**30**	*429*
Rental from investment property	**155,731**	*202,105*
	344,361	*433,873*

2 Raising funds

	Unrestricted funds 2021 £	Unrestricted funds *2020 £*
Investment property management costs	**33,648**	*27,141*
	33,648	*27,141*

3 Charitable activities

	Grant funding (note 4)	Support costs (note 5)	**2021 £**	*2020 £*
Education, Science and Policy Making	254,142	(6,965)	**247,177**	*116,130*
Advancement of Religion	8,500	(519)	**7,981**	*10,400*
Health	2,100	(128)	**1,972**	—
Advancement of Arts	45,000	(2,746)	**42,254**	*1,733*
Relief of Poverty	10,000	(610)	**9,390**	—
Community Outreach	15,225	(929)	**14,296**	—
	334,967	(11,897)*	**323,070**	*128,263*

*Support costs are negative in the year ended 5 April 2021 due to a large foreign exchange gain on converting cash held by London and Capital in US Dollars at year end. Further details can be found at note 5.

	Grant funding (note 4)	*Support costs (note 5)*	*2020 £*
Education, Science and Policy Making	*67,000*	*49,130*	*116,130*
Advancement of Religion	*6,000*	*4,400*	*10,400*
Advancement of Arts	*1,000*	*733*	*1,733*
	74,000	*54,263*	*128,263*

4 Analysis of grants

All grants provided during the year were given to institutions; no individual received a direct donation. Recipients of institutional grants were as follows:

	Unrestricted funds	
	2021	2020
	£	£
Beit Issie Shapiro	**2,000**	—
Dalgarno Neighbourhood Trust	**5,225**	—
Hall School Charitable Trust	**25,000**	25,000
Jewish Care	**100**	—
London School of Jewish Studies	**5,000**	2,500
Opera Holland Park	**—**	1,000
Paddington Food Bank	**10,000**	—
The Prince's Teaching Institute	**12,500**	12,500
Princeton University (3 year commitment)	**211,642**	—
Royal Opera House	**45,000**	—
ThinkForward UK	**—**	10,000
United Youth Football Club	**—**	3,000
University of Cambridge	**5,000**	16,500
Westminster Synagogue	**3,500**	3,500
The Winchester Project	**10,000**	—
	334,967	74,000

5 Support costs

	Unrestricted funds	
	2021	2020
	£	£
Governance costs		
. Legal fees	**—**	634
. Accounting fees	**660**	2,100
. Audit fees	**4,620**	4,950
. Other fees	**2,340**	2,130
Staff costs (note 6)	**24,964**	30,121
Bank charges	**1,186**	663
Investment management fees	**9,036**	8,270
Foreign exchange (gain) loss	**(54,703)**	5,395
	(11,897)	54,263

Support costs are apportioned between the charitable activities undertaken in the year on the basis of the ratio of expenditure between charitable activities.

6 Staff costs

	Unrestricted funds	
	2021	2020
	£	£
Salaries and wages	**23,000**	27,200
Social security costs	**1,964**	2,562
Agency costs	**—**	359
	24,964	30,121

The average and full time equivalent number of employees during the year was one (2020 – one).

7 Trustees and key management personnel remuneration

None of the trustees and therefore key management personnel of the charity (or any persons connected with them) have been paid any remuneration or received any other benefits during the period (2020 – £nil). No trustee expenses have been incurred during the year (2020 – £nil).

8 Auditors' remuneration

The auditor's remuneration for the year is £7,860 (2020 – £9,180) and is made up as follows:

	2021	2020
	£	£
Statutory audit	**4,860**	4,950
Other services	**3,000**	4,230
	7,860	9,180

9 Investments

	2021	2020
	£	£
Investment properties	**4,700,000**	4,600,000
Listed investments	**1,919,828**	1,722,103
Cash held by investment manager for re-investment	**213,379**	181,714
	6,833,207	6,503,817

Investment properties

	2021	2020
	£	£
Market value at 6 April	**4,600,000**	4,550,000
Unrealised gains on revaluation	**100,000**	50,000
Market value at 5 April	**4,700,000**	4,600,000
Historical cost of investment properties at 5 April	**5,278,152**	5,278,152

9 Investments (continued)

The investment property was revalued by an independent valuer in 2021 through considering the value of the property based on the rental income, whilst also considering the vacant possession value of the 14 flats, on the basis that they could be sold individually on termination of the lease.

Listed investments and cash held

	2021 **£**	2020 £
Market value of investments at 6 April	**1,722,103**	1,776,140
Additions at cost	**129,271**	204,900
Disposals at book value (proceeds: £153,885, realised gains: £474)	**(153,411)**	—
Net gains (losses) on revaluation at 5 April	**221,865**	(258,937)
Market value of investments as at 5 April	**1,919,828**	1,722,103
Cash held for investment*	**213,379**	181,714
Total market value of investments at 5 April	**2,133,207**	1,903,817
Historical cost of listed investments at 5 April (excluding cash)	**1,868,401**	1,892,067

*Cash held for reinvestment includes a loss of £184,726 (2020 – £112.927 of gains) on foreign currency contracts in the year which are included as part of the cash within the London & Capital investment portfolio.

Investments held at 5 April comprised the following:

	2021 **£**	2020 £
Property unit trusts	**371,877**	379,769
UK bonds	**1,547,951**	1,342,334
	1,919,828	1,722,103

The total unrealised losses (for the investment property and listed investments) as at 5 April constitute movements on revaluation and are as follows:

	2021 **£**	2020 £
Reconciliation of movements in unrealised losses		
Unrealised (losses) at 6 April	**(848,116)**	(639,179)
Less: in respect to disposals in the year	**(474)**	—
Add: net gains arising on revaluation in the year	**321,865**	(208,937)
Total unrealised (losses) at 5 April	**(526,725)**	(848,116)

10 Debtors: falling due within one year

	2021 **£**	2020 £
Prepayments and accrued investment income	**23,671**	29,306
	23,671	29,306

11 Creditors: falling due within one year

	2021	2020
	£	£
Other creditors	**50,400**	50,400
Grant commitments (see below)	**110,000**	70,000
Accruals	**10,239**	9,894
	170,639	130,294

12 Creditors: falling due in more than one year

As at 5 April, the charity had further commitments in respect of grants approved to the University of Cambridge and Princeton University for projects and which relate to future periods as follows:

	2021	2020
	£	£
. Payable between two and five years	**120,000**	50,000
	120,000	50,000

13 Related parties

There were no transactions with any related parties during the current or previous financial year.