



The University of Cape Town Trust

UK Registered Charity 803042

Trustees Annual Report & Financial Statements
31st December 2014



Torrington House, 111 Hare Lane, Claygate, Surrey, KT10 0QY, UK

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www.ucttrust.org.uk

A UK registered Charitable Trust (No 803042) supporting the University of Cape Town, South Africa

Trustees: Sir Franklin Berman KCMG QC (Chairman) Baroness Chalker of Wallasey Professor Hugh Corder Richard J Gnodde
Professor Bongani Mayosi Charles G McGregor Dr Elaine Potter Jennifer Ward Oppenheimer Stephen Westwell

**TRUSTEES' ANNUAL REPORT
for the year ended 31 December 2014**

The Trustees present their report and the financial statements of The University of Cape Town Trust (also known as the "UCT Trust") for the year ended 31 December 2014.

The University of Cape Town Trust is a United Kingdom charitable trust which works to support the University of Cape Town, South Africa. The University of Cape Town is committed to excellence and to equity in its mission to be an outstanding teaching and research university.

REFERENCE AND ADMINISTRATIVE DETAILS

The Trustees of the charity for the year under review were as follows:

Sir Franklin Berman KCMG QC	Chairman
Baroness Chalker of Wallasey	
Professor Hugh Corder	
Mr Richard Gnodde	
Professor Bongani Mayosi	[appointed 11 November 2014]
Mr Charles McGregor	
Dr Elaine Potter	
Mrs Jennifer Ward Oppenheimer	
Mr Stephen Westwell	

The charity contact is the Consultant Director, Mrs Angela Edwards, who can be contacted at the principal address of the charity, which is Torrington House, 111 Hare Lane, Claygate, Surrey, KT10 0QY. The other contact details for the charity are by telephone 01372 465502, by e-mail uct-trust@tecres.net, or via the charity's website www.ucttrust.org.uk.

The charity is registered under the charity number 803042.

The Trustees have made the following professional appointments:

Solicitor:	Speechly Bircham LLP, 6 New Street Square, London, EC4A 3LX
Auditor:	Baker Tilly UK Audit LLP, 3rd Floor, One London Square, Cross Lanes, Guildford, Surrey GU1 1UN
Banker:	NatWest Bank plc, 9 High Street, Cobham, Surrey KT11 3DG
Investment Managers:	Charities Aid Foundation, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4TA BlackRock, PO Box 9036, Chelmsford, CM99 2XD

STRUCTURE, GOVERNANCE AND MANAGEMENT**Status & History**

The University of Cape Town Trust ("UCT Trust") is a registered UK charitable trust which raises funds and support in Britain and in other parts of Europe for the University of Cape Town ("UCT") in South Africa. It aims to help UCT build on its role as a world-class university in Africa; one that is the leading research institution on the continent, that produces well-trained graduates to lead South Africa's economic social transformations, and one that strives for equity in all it does. The UCT Trust also fosters and develops relations with UCT's alumni who are based in the UK, through events which serve to inform alumni of the research and outreach work being carried out at the University, and fundraising campaigns to encourage alumni to support their alma mater.

**TRUSTEES' ANNUAL REPORT
for the year ended 31 December 2014**

STRUCTURE, GOVERNANCE AND MANAGEMENT (Continued)**Status & History (Continued)**

The original Trust became a registered charity on 19 March 1990, and is governed by the rules and regulations set down in its trust deed dated 5 March 1990 (as subsequently amended). This trust deed (lodged with the UCT Trust's solicitors, Speechly Bircham) regulates the purpose and administration of the charity.

Organisational Structure

The UCT Trust has a senior management team of a board of Trustees, led by a Chairman. The overall strategic direction of the charity is determined by the Trustees, who hold meetings and discuss priorities on a regular basis. All decisions of the Trustees are taken after discussions at meetings, and would, if necessary, be put to an open vote. The number of Trustees is subject to a maximum of 12, a minimum of 6 and a quorum of 5.

The day-to-day administration is dealt with by a minimum of one and maximum of two part-time self-employed consultants, who operate under authority delegated by the Trustees and who provide advice to the Trustees in particular in respect of the activities of the charity.

UCT Trust uses the volunteer help of the former Vice-Chancellors and other key representatives of UCT to help in its UK fundraising. The charity is in regular contact with the Vice-Chancellor of the University of Cape Town, his Deputies, the Deans of Faculties, the Development Office, and the Finance Director at UCT. This contact provides guidance to the UCT Trust of the university's strategy, its policies and its needs, which enables the Trustees to determine how best to support the major funding requirements from its limited resources.

Method of Recruitment, Appointment, Election, Induction & Training of Trustees*Recruitment*

The Trustees periodically consider the appropriate mix of skills and experience needed on the board to manage the charity and look to maintain this mix as and when a vacancy arises.

Appointment & Election

Under the Trust Deed new Trustees are appointed by the existing Trustees. The selection of candidates takes place by formal decision at a Trustees' meeting following prior discussion amongst the current Trustees. The formal appointments are made, as required under the Deed, by a Memorandum executed by the Chairman and witnessed by two attendees at the meeting.

Induction & Training

The role and responsibilities of a Trustee are explained to all new Trustees by the existing Trustees upon appointment.

Risk & Corporate Governance Matters

The Trustees have given consideration to the risks to which the charity is exposed and have satisfied themselves that systems or procedures are established in order to manage those risks.

The main risk facing the charity remains uncertainty over funding from voluntary income sources in support of grant giving to UCT projects. The UCT Trust faces increasing competition for the small amount of funds which are available from the UK for South Africa and for the university sector, and a certain amount of caution remains as a result of the long term uncertainty of the global economic situation.

**TRUSTEES' ANNUAL REPORT
for the year ended 31 December 2014**

Risk & Corporate Governance Matters (Continued)

The Trustees manage these risks by ensuring that regular communication with past and potential future donors is maintained, in particular and increasingly through the alumni network. In doing so, the Trustees ensure that the wealth of good news emerging from UCT and the evidence of the ever increasing and positive far reaching influence the institution has throughout much of the African continent, is spread far and wide.

There was a slight decrease in the total donations received in 2014, primarily on account of some Foundations and corporates changing their philanthropic focus or finishing long running programmes.

Other risks such as the storing of financial data and vulnerability of computer systems are managed by back up procedures, including use of cloud computing, and keeping copies of data in a safe environment outside the office. Strict financial procedures are in place regarding payment and transfer of significant sums of money, and a close eye is kept on bank accounts to ensure that any fraudulent activity is dealt with timeously.

Trustees' Responsibilities in the Preparation of Financial Statements

The Trustees are responsible for preparing the Trustees' annual 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 & 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 period. 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 UK Accounting Standards have been followed subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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 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 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 financial statements may differ from legislation in other jurisdictions.

Auditor

Baker Tilly UK Audit LLP has indicated its willingness to continue in office.

**TRUSTEES' ANNUAL REPORT
for the year ended 31 December 2014**

Statement as to Disclosure of Information to the Auditor

The Trustees at the date of approval of this Trustees' annual report confirm that so far as each of them is aware, there is no relevant audit information of which the charity's auditor is unaware, and the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

OBJECTIVES AND ACTIVITIES**Charitable Objectives**

The charitable objective for which the charity was established and registered is the advancement of education at the University of Cape Town in such manner as shall be exclusively charitable according to the law of England and Wales and as the Trustees may from time to time (and with the approval of the Council of the University of Cape Town) determine.

Charitable Activities

In practice, and in pursuance of its overall charitable goal, the work undertaken by the charity is in respect of the provision of support for UCT, and the dissemination of information about the work being carried out at the University.

The charity seeks to raise significant funds for the various key projects which have been prioritised by the University. The UCT Trust aims to delight donors at all times, providing them with accurate, clear and regular reporting, and building UCT's reputation within the United Kingdom and beyond into Europe.

The charity's strategy to meet its objectives is to continue to interest major donors in signature fundraising projects, including facilitating relationships between the Vice-Chancellor and other key members of UCT with donors and UCT alumni in the United Kingdom.

Indicators, Milestones & Benchmarks

The Trustees monitor a range of measures by which to try to determine the success of the charity in meeting its objectives. These measures include:

- The provision of bursaries for undergraduate and postgraduate students;
- The performance of the six faculties: Commerce, Engineering & the Built Environment, Health Sciences, Humanities, Law, and Science;
- The progress of Distinguishing UCTs to improve the infrastructure of the University
- The outcomes from various outreach activities of the University
- UCT's positioning as a global university, and its progress through the world rankings.

Public Benefit

The Trustees have taken The Charity Commission's specific guidance on public benefit (contained within the recently published guidance document "The Advancement of Education for the Public Benefit") into consideration in preparing their statements on public benefit contained within this Trustees' Annual Report.

**TRUSTEES' ANNUAL REPORT
for the year ended 31 December 2014**

Public Benefit (Continued)*Benefits & Beneficiaries*

The immediate benefit provided by the charity is that of much needed additional funding for UCT which is the initial recipient. However, the Trustees consider that the ultimate beneficiaries are the undergraduates, postgraduates, academics, other staff, and the South African communities who benefit from development programmes run by UCT departments.

Trustees' Assessment of Public Benefit

In monitoring the progress of the charity in terms of delivery of public benefit, the Trustees use the indicators, milestones and benchmarks referred to above to measure success and they gather evidence accordingly.

Selection of recipients for grants made to the university is determined mainly by the original donor of funds to the UCT Trust. Almost 100% of the Trust's donations are earmarked for a particular purpose and are applied as such at the university. Where the donation is not specifically targeted in this way – in the case of a very few small donations – the monies are applied as bursaries to means-tested and needy applicants from disadvantaged backgrounds, or to the Schools Improvement Initiative which was nominated as the UCT Trust's priority project in 2014.

Grant Making Policy

Grants donated to the charity are transferred in their entirety to the university, with the exception of endowed Awards where the funds are invested in the UK and the income is transferred on an annual basis. Grants are applied only to the cause for which they were given. No 'percentage' is taken for administration or any other purposes. Regular, at least annual, reports are made to donors on the progress of projects these grants have funded. The Trustees monitor the use of funds carefully and on a continuous basis.

Relationships with Related Parties

The charity is fundamentally related to UCT in the performance of all of its charitable work. The charity also continues to work on the development of relations with UCT alumni throughout the United Kingdom with encouraging results, including in the area of fundraising.

ACHIEVEMENTS AND PERFORMANCE**Activities & Events**

During 2014, the UCT Trust organised itineraries for successful visits to the UK from the Vice-Chancellor and other UCT personnel, which included effecting introductions to potential supporters and making useful connections. The UCT Trust has submitted proposals to various UK Foundations, seeking funds for UCT projects, including bursary programmes, capital, and community projects. The UCT Trust has ensured that all donors receive timely reports and updates on how their funds have been utilised.

The UCT Trust has also organised well attended alumni events throughout the year, including a fundraising event at the Chelsea Flower Show, lectures from visiting UCT Professors, and a comedy evening. These events serve to engage alumni and reconnect them with their alma mater.

**TRUSTEES' ANNUAL REPORT
for the year ended 31 December 2014**

ACHIEVEMENTS AND PERFORMANCE (Continued)**Impact of Activities & Events**

The success of the charity in 2014 was evident from the donations received and the new connections made. Funds raised have benefited many projects at UCT, including the Schools Improvement Initiative, the Distinguishing UCT, and numerous bursary programmes. Many individuals and Foundations renewed their support in 2014, often with an increase in the level of their gift. Through greater engagement with alumni, the database has continued to improve significantly in size and accuracy, and there was an encouraging 148% increase in alumni support in comparison with 2013.

Public Benefit

During 2014, the following evidence demonstrates that the charity continues to benefit the public through its activities targeted to achieve its charitable objectives as it raises support for UCT:

UCT plays a crucial role in South Africa and the African continent, providing world class trained graduates to support South Africa's growing economy, and producing ground-breaking research. UCT's excellence is recognised with its ranking as the only African university in the top 200 universities worldwide, as indicated by the 2014 Times Higher Education World University Rankings.

UCT aspires to become a premier academic meeting point between South Africa, the rest of Africa and the world. Taking advantage of expanding global networks and UCT's distinct vantage point in Africa, the University is committed, through innovative research and scholarship, to grapple with the key issues of the natural and social worlds. UCT aims to produce graduates whose qualifications are internationally recognised and locally applicable, underpinned by values of engaged citizenship and social justice.

UCT sets the pace and helps inform policy in South Africa. It is the leading research institution as judged by independent review, housing over 34% of South Africa's A-rated scientists and engineers (ranked as world class in their fields by the National Research Foundation - NRF), and nine of the 39 MRC-funded research centres. Three Department of Science & Technology/NRF Centres of Excellence are also housed, either in part or as a whole, at UCT, and the total of NRF rated researchers has reached an all-time high: 457.

UCT has been awarded 33 out of the total of 150 national Chairs under the South African Research Chairs Initiative (SARChI), established by the Department of Science and Technology (DST) and managed by the NRF, to build scientific research and innovation capacity in the country.

Research projects at UCT include work on the Karoo Array Telescope (MeerKAT) and the Square Kilometre Array (SKA), one of the largest scientific experiments of all time; the development of new forms of digital technology to address the developmental problems within society, problems that do not exist in developed economies; innovative research into water treatment, ranging from industrial and commercial applications to impacting the lives of South Africans in a more direct manner; and research that has direct relevance to national policies aimed at poverty reduction, promotion of growth, and the reduction of inequality.

The third arm (Cape Town component) of the International Centre for Genetic Engineering & Biotechnology (ICGEB) is sited at UCT's Institute for Infectious Disease and Molecular Medicine (IDM) and is part of a powerful international facility for training and research in the biosciences.

UCT houses the cross-Africa collaborative University Science, Humanities and Engineering Partnerships in Africa (USHEPiA) which helps academics from eight other African universities to gain postgraduate qualifications.

UCT makes an impact in business and entrepreneurship development with its leading Business School (GSB), which has remained consistently in the Financial Times Global MBA Top 100 – the only African business school to be included, in 2014 climbing 15 places to 59th position.

**TRUSTEES' ANNUAL REPORT
for the year ended 31 December 2014**

ACHIEVEMENTS AND PERFORMANCE (Continued)**Public Benefit (Continued)**

UCT's Academic Development Programme offers a wide range of bridging courses, intensive tutorials, language/communication skills, numeracy and computer literacy courses to those students who arrive at UCT under-prepared as a result of inadequate schooling, while the Financial Aid scheme helps many students from disadvantaged backgrounds to study at UCT with loans and bursaries on a means-tested and merit basis. UCT made available some £5.88 million (R100 million*) in 2014 for financial aid and loan schemes.

*using R17:£1

UCT has set a strategic goal to expand and enhance its contribution to South Africa's development challenges, committing to engaged, policy-relevant research and teaching, as well as to expanding opportunities for students to become directly involved in socially-responsive learning. The aim is to ensure that research carried out at UCT contributes to the public good through sharing knowledge for the benefit of society and through fostering in students the acquisition of the civic literacy, knowledge and skills necessary to build a more just, equitable and unified South African society.

FINANCIAL REVIEW**Financial Results of Activities & Events**

The total incoming resources of the charity for 2014 were £601,208 (2013: £700,540) and the equivalent total resources expended were £660,568 (2013: £463,695). A further sum of £97,534 was donated direct to UCT as a result of work done at the UCT Trust.

Included within the above, the financial highlights for 2014 were:

- The Professorship in the Obstetrics & Gynaecology Department which was part funded by Welton Foundation, CHK Charities Ltd, C Heber Percy Charitable Trust and the William H Cadbury Trust, with donations over five years;
- Significant support was received for the Schools Improvement Initiative as the outcome of a fundraising drive by the Trustee Board;
- Substantial alumni support has been pledged for UCT's major Distinguishing UCT, to be officially launched in 2015;
- The Julian Baring Scholarship Fund has increased its support for young African engineers from outside South Africa who are interested in pursuing a career in the field of mining;
- Notable bursary support came from Pearson plc, The Schroder Foundation, Calleva Foundation, The Lord and Lady Lurgan Trust, and The Law Society Charity; and
- UK alumni donated £279,328 through the UCT Trust, aimed at the Distinguishing UCT Campaign, the Annual Fund, Bursaries, the Law Faculty, the Opera School, the Schools Improvement Initiative, and SHAWCO (the Student Health & Welfare Community Organisation).

Approximately 28% of gifts received in the year were for undergraduate bursaries and postgraduate fellowships for students from financially and educationally disadvantaged backgrounds.

The remaining 72% were aimed at capacity building to ensure that the quality of the physical facilities, teaching and research at UCT keeps pace with UCT's mission and its growing international reputation, and schools development projects.

**TRUSTEES' ANNUAL REPORT
for the year ended 31 December 2014**

Reserves Policy

As at 31 December 2014, the charity had free reserves held in the General Fund of £57,622 (31 December 2013: £63,628). The funds held as free reserves are utilised annually to cover operating costs and this is taken into consideration when determining the level of the annual operating grant needed to run UCT Trust. The annual operating grant is paid direct from UCT based on an annual forecast of costs.

Investments Policy

Investments are selected by the board of Trustees after presentation and discussion of the appropriate investment for charities and on the advice of the Charities Aid Foundation (CAF) and Black Rock. The proceeds of the endowment fund investments are remitted once a year to UCT to fund particular projects. The capital remains in the CAF and Black Rock investment portfolios, split 40:60 between bonds and equities at year end. The performance of the investments is closely monitored by the Trustees throughout the year.

The level of free reserves is never significant enough to be invested.

Investment Performance

During 2014, the charity's investments generated income of £21,405 (2013: £22,173). The investments gained in capital value by £16,567 (2013: increase of £52,206).

PLANS FOR FUTURE PERIODS**Future Strategy**

The Trustees' current medium-to-long-term strategic goals for the UCT Trust are:

- To continue to support UCT in appropriate and carefully considered ways;
- To continue to commit to excellence and to equity in UCT's mission to be an outstanding teaching and research university;
- To facilitate meetings in order that the Vice-Chancellor may spread news of UCT strengths and successes to a wider audience here in the UK; and
- To continue to expand and strengthen links to UK based UCT alumni.

Future Activities & Events

During 2015, UCT Trust will continue to inform UK grant-making bodies and individuals about UCT and its important role in South Africa and Africa as a whole, and seek funds for projects at the University. The UCT Trust will endeavour to make new connections by setting up relevant meetings for the Vice-Chancellor and other UCT personnel during their visits to the UK, as well as keeping UCT alumni engaged and updated via the website and through the organisation of events. The UCT Trust will continue to provide regular and accurate reports for donors.

Impact of Future Activities & Events

The impact of the charity's activities in the coming year will be assessed in terms of the funds raised in the UK and Europe for UCT projects, and the engagement of greater numbers of UK and European based alumni.

Public Benefit

In the future and in view of the continuing success of the charity, the Trustees do not intend to alter the charity's approach to its delivery of public benefit.

**TRUSTEES' ANNUAL REPORT
for the year ended 31 December 2014**

FUNDS HELD AS CUSTODIAN

Although the charity maintains restricted funds to deal with incoming resources that are earmarked for a particular purpose by donors, sponsors, and other funders, the UCT Trust does not currently hold, and the Trustees do not anticipate that it should hold in the future, any funds as custodian for any third party.

THANK YOU

On behalf of the charity and the university, the Trustees wish to thank our benefactors for their very generous and farsighted support. We count on your renewed commitment to help UCT continue to play its unique role in South Africa and the African continent.

This report was approved by the Trustees on 6th May 2015, and was signed for and on behalf of the board by

FD Berman

[originals signed by FDB]

..... Chairman

Sir Franklin Berman KCMG QC

6th May 2015

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE UNIVERSITY OF CAPE TOWN TRUST

We have audited the financial statements of The University of Cape Town Trust for the year ended 31 December 2014 on pages 11 to 22. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees as a body, in accordance with the Charities Act 2011. 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.

Respective responsibilities of trustees and auditor

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.

We have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditscopeukprivate>.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2014 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 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 financial statements; or
- the charity has not kept sufficient accounting records; or
- the financial statements 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.

Baker Tilly LLP [originals signed by BT]

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BAKER TILLY UK AUDIT LLP
Statutory Auditor
3rd Floor, One London Square
Cross Lanes
Guildford
Surrey GU1 1UN

18 May 2015

**STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 December 2014**

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2014 £	Total 2013 £
INCOMING RESOURCES						
Incoming resources from generated funds						
Voluntary income	1	-	504,519	-	504,519	603,206
Investment income	2	13	21,676	-	21,689	22,334
Incoming resources from charitable activities						
Provision of support for UCT	3	75,000	-	-	75,000	75,000
TOTAL INCOMING RESOURCES		75,013	526,195	-	601,208	700,540
RESOURCES EXPENDED						
Costs of generating funds						
Costs of generating voluntary income	4	70,798	-	-	70,798	69,491
Charitable activities						
Provision of support for UCT	5	2,351	579,468	-	581,819	385,114
Governance costs	6	8,100	-	-	8,100	9,090
TOTAL RESOURCES EXPENDED		81,249	579,468	-	660,717	463,695
NET (OUTGOING)/INCOMING RESOURCES		(6,236)	(53,273)	-	(59,509)	236,845
TRANSFERS						
Gross transfers between funds		-	-	-	-	-
OTHER RECOGNISED GAINS						
Gains on investments	8	-	-	16,567	16,567	52,206
NET MOVEMENT IN FUNDS RECONCILIATION OF FUNDS		(6,236)	(53,273)	16,567	(42,942)	289,051
Fund balances brought forward at 1 January 2014		64,536	510,373	698,106	1,273,015	983,964
FUND BALANCES CARRIED FORWARD AT 31 DECEMBER 2014	11	58,300	457,100	714,673	1,230,073	1,273,015

The net movement in funds for the year arises from the charity's continuing activities.

No separate statement of total recognised gains and losses has been presented as all such gains and losses are included in the statement of financial activities.

BALANCE SHEET
 as at 31 December 2014

	Notes	2014 £	2013 £
FIXED ASSETS			
Tangible assets	7	578	808
Investments	8	714,673	698,106
		<u>715,251</u>	<u>698,914</u>
CURRENT ASSETS			
Debtors	9	36,086	3,274
Cash at bank and in hand		487,214	580,506
		<u>523,300</u>	<u>583,780</u>
LIABILITIES			
Creditors: Amounts falling due within one year	10	8,478	9,679
		<u>514,822</u>	<u>574,101</u>
NET CURRENT ASSETS			
		<u>1,230,073</u>	<u>1,273,015</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		=====	=====
THE FUNDS OF THE CHARITY			
Endowment funds	11	714,673	698,106
Restricted income funds	11	457,100	510,373
Unrestricted income funds	11	58,200	64,436
Trust Fund capital	11	100	100
		<u>1,230,073</u>	<u>1,273,015</u>
TOTAL CHARITY FUNDS			
	12	=====	=====

The financial statements on pages 11 to 22 were approved by the trustees and authorised for issue on 6 May 2015, and are signed on their behalf by

FD Berman [originals signed by FDB]

..... Chairman
 Sir Franklin Berman KCMG QC

6th May 2015

Financial statements for the year ended 31 December 2014**ACCOUNTING POLICIES**

BASIS OF ACCOUNTING

The financial statements have been prepared to comply with current statutory requirements (being the Charities Act 2011), under the historical cost convention, except as modified for the annual revaluation of fixed asset investments, and in accordance with United Kingdom Generally Accepted Accounting Practice. The recommendations in *Accounting and Reporting by Charities: Statements of Recommended Practice (revised 2005)* issued by the Charity Commission in March 2005 have been followed. The accounting policies have been applied consistently in prior years.

INCOMING RESOURCES

General donations and other similar types of voluntary income are brought into account when received, except that donated income is included gross of any attributable tax recoverable, where relevant. Donations given for specific purposes are treated as restricted income.

Investment income is accounted for on a receivable basis, once the dividend has been declared or the interest and rental income has been earned.

Grant funding is accounted for on a receivable basis in line with expenditure on the projects being funded.

RESOURCES EXPENDED

Resources expended are allocated to the charity's principal activity where the costs can be identified as being directly related to that activity. All costs that cannot be identified as relating directly to the charity's principal activity are categorised as either support costs or governance costs. Any costs that cannot be specifically categorised are allocated in proportions based upon a suitable ratio applicable to the nature of the cost involved.

Grants payable are recognised in the period in which the approved offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised only when the conditions attaching to the award are fulfilled. Grants offered subject to conditions, which have not been met at the balance sheet date, are noted as a potential commitment, but are not treated as a liability.

FOREIGN CURRENCIES

Transactions denominated in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date. All exchange gains or losses are included in the statement of financial activities in the period to which they relate.

Financial statements for the year ended 31 December 2014**ACCOUNTING POLICIES**

TANGIBLE FIXED ASSETS

All tangible assets purchased that have an expected useful economic life that exceeds one year are capitalised and classified as fixed assets. Tangible fixed assets are stated at historical cost less depreciation. Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:

Computers	over 4 years
Office equipment	over 4 years
Furniture and fittings	over 10 years

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

INVESTMENTS

The charity's investments are included in the balance sheet at their market value. The gains or losses arising upon their annual revaluation are included in the statement of financial activities.

LEASED ASSETS AND OBLIGATIONS

Where assets are financed by leasing agreements that give rights approximating to ownership ("finance leases"), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as obligations to the lessor.

Lease payments are treated as consisting of capital and interest elements, and the interest is charged to the statement of financial activities in proportion to the remaining balance outstanding.

All other leases are "operating leases" and the annual rentals are charged to the statement of financial activities on a straight line basis over the lease term.

FUND ACCOUNTING

The general fund comprises the accumulated surpluses of unrestricted incoming resources over resources expended, which are available for use in furtherance of the general objective of the charity.

Designated funds are a particular form of unrestricted funds consisting of amounts, which have been allocated or designated for specific purposes by the trustees. The use of designated funds remains at the discretion of the trustees.

Restricted funds are funds subject to specific conditions imposed by donors. The purpose and use of the restricted funds are set out in the notes to the accounts. Amounts unspent at the year end are carried forward in the balance sheet. Endowment funds are of a capital nature and the income arising on the capital is restricted income.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2014

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2014 £	Total 2013 £
1. VOLUNTARY INCOME					
Donations from foundations, trusts and companies	-	178,163	-	178,163	477,363
Donations from individuals:					
Gift Aid	-	242,511	-	242,511	101,484
Other	-	83,845	-	83,845	24,359
	- =====	504,519 =====	- =====	504,519 =====	603,206 =====
2. INVESTMENT INCOME					
Bank interest receivable on short term cash deposits	13	271	-	284	161
Income from investments listed on a recognised stock exchange:					
UK	-	21,405	-	21,405	22,173
	13 =====	21,676 =====	- =====	21,689 =====	22,334 =====
3. INCOME GENERATED BY THE PROVISION OF SUPPORT FOR UCT					
Operating grant contributions receivable from the University of Cape Town	75,000	-	-	75,000	75,000
	=====	=====	=====	=====	=====
4. COSTS OF GENERATING VOLUNTARY INCOME					
Direct costs:					
Alumni function costs	4,131	-	-	4,131	5,496
Alumni Appeal	748	-	-	748	3,133
Support costs (see note 6)	65,919	-	-	65,919	60,862
	70,798 =====	- =====	- =====	70,798 =====	69,491 =====

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2014

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2014 £	Total 2013 £
5. COSTS INCURRED IN THE PROVISION OF SUPPORT FOR UCT					
Direct costs:					
Grants given in support of the University of Cape Town programmes	-	579,468	-	579,468	385,402
Support costs (see note 6)	2,351	-	-	2,351	(288)
	<u>2,351</u>	<u>579,468</u>	<u>-</u>	<u>581,819</u>	<u>385,114</u>
	=====				
	Costs of generating voluntary income £	Costs incurred in provision of support for UCT £	Governance costs £	Total 2014 £	Total 2013 £
6. SUPPORT COSTS					
Consultancy and administration	48,553	-	-	48,553	47,340
Travel and accommodation	607	-	-	607	1,619
Communications and stationery	3,612	-	-	3,612	3,086
Operating lease rentals:					
Land and buildings	10,080	-	-	10,080	4,500
Other office costs	3,067	-	-	3,067	4,357
Auditor's remuneration:					
Audit fees	-	-	8,100	8,100	7,920
Legal fees	-	-	-	-	1,170
Depreciation – owned assets	-	230	-	230	421
Foreign exchange loss/(gain)	-	2,121	-	2,121	(749)
	<u>65,919</u>	<u>2,351</u>	<u>8,100</u>	<u>76,370</u>	<u>69,664</u>
	=====				

The charity does not employ any staff nor does it incur any staff costs directly.

Much of the work of the charity is undertaken by the trustees, who received no remuneration for their services provided to the charity and were not reimbursed for any expenses incurred on behalf of the charity during the current or previous year.

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2014**

7. TANGIBLE ASSETS

	Computers	Office equipment	Furniture and fittings	TOTAL
	£	£	£	£
Cost:				
1 January 2014	3,104	1,022	1,354	5,480
Additions	120	-	96	216
	<hr/>	<hr/>	<hr/>	<hr/>
31 December 2014	3,224	1,022	1,450	5,696
Depreciation:				
1 January 2014	2,296	1,022	1,354	4,672
Charge for year	436	-	10	446
	<hr/>	<hr/>	<hr/>	<hr/>
31 December 2014	2,732	1,022	1,364	5,118
Net book value:				
31 December 2014	492	-	86	578
	=====	=====	=====	=====
31 December 2013	808	-	-	808
	=====	=====	=====	=====

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2014

	2014	2013
	£	£
8. INVESTMENTS		
Investments listed on a recognised stock exchange, held primarily to provide an investment return, at market value:		
1 January 2014	698,106	644,493
Additions	-	172,465
Disposals at carrying value	-	(171,058)
Unrealised gains	16,567	52,206
	<u>714,673</u>	<u>698,106</u>
	=====	=====
31 December 2014		
At the balance sheet date, the market value of the portfolio comprised:		
UK investments	714,673	698,106
	=====	=====
Unit trust funds and other similar securities	714,673	698,106
	=====	=====
At the balance sheet date, the historical cost of the investments was £490,883 (2013: £490,883).		
Individual holdings representing more than 5% of the market value of the portfolio at the balance sheet date are as follows:		
Charities Aid Foundation	271,911	274,854
BlackRock	442,762	423,252
	<u>714,673</u>	<u>698,106</u>
	=====	=====
9. DEBTORS		
Income tax recoverable	36,086	3,274
	=====	=====
10. CREDITORS		
Amounts falling due within one year:		
Accruals	8,478	9,679
	=====	=====

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2014

11. THE FUNDS OF THE CHARITY

	1 January 2014 £	Incoming resources £	Outgoing resources £	Gains on investments £	Transfers between funds £	31 December 2014 £
Endowment funds:						
Glaxo Chair Fund	526,787	-	-	12,716	-	539,503
Law Faculty Fund	118,360	-	-	2,729	-	121,089
Mibashan Fund	16,402	-	-	375	-	16,777
Oates Fund	29,832	-	-	699	-	30,531
Andrews Fund	3,148	-	-	86	-	3,234
Kaplan Award	3,577	-	-	(38)	-	3,539
	<u>698,106</u>	<u>-</u>	<u>-</u>	<u>16,567</u>	<u>-</u>	<u>714,673</u>
Restricted income funds:						
<i>Undistributed endowment funds income -</i>						
Glaxo Chair Fund	17,536	16,456	(17,514)	-	-	16,478
Mibashan Fund	453	476	(453)	-	-	476
Oates Fund	829	871	(828)	-	-	872
Andrews Fund	91	95	(91)	-	-	95
Law Faculty Fund	1,840	3,441	(4,328)	-	-	953
Kaplan Award	-	72	-	-	-	72
Annual Appeal Fund	7,669	12,140	(16,008)	-	125	3,926
Baxter Theatre	-	135	-	-	-	135
Bursary Fund	228,985	88,460	(105,304)	-	(149)	211,992
College House Fund	-	1,088	-	-	-	1,088
Distinguishing UCT	-	169,464	(15,412)	-	-	154,052
Drug Discovery/Dvpt	199,976	-	(200,000)	-	24	-
FHS Centenary	61	63	-	-	-	124
Forensic Path Institute	-	6,253	-	-	-	6,253
Julian Baring Sch Fund	2	26,008	(23,228)	-	-	2,782
Keswick Prize	1,845	3,750	(1,125)	-	-	4,470
Law Faculty Fund	17,754	6,591	(21,654)	-	-	2,691
Libraries Fund	-	29,727	(15,000)	-	-	14,727
Little Theatre	-	533	(533)	-	-	-
Lord & Lady Lurgan Trust	-	2,500	(2,500)	-	-	-
O&G Fund	6	50,006	(50,000)	-	-	12
Opera School	6,405	21,781	(17,418)	-	-	10,768
PMHP Fund	7	64	(56)	-	-	15
Residences Fund	40	120	(140)	-	-	20
Prof Robertson Fund	7,317	6,253	(9,500)	-	-	4,070
Rugby Club	-	7,252	-	-	-	7,252
Schools Improvement	15,219	69,830	(75,452)	-	-	9,597
SHAWCO Fund	236	764	(909)	-	-	91
Sigrid Rausing Trust	165	-	-	-	-	165
Smuts Hall	49	150	(176)	-	-	23
Spirit of 68 Award	281	1,851	(1,839)	-	-	293
WHO/EEC fund	3,607	1	-	-	-	3,608
	<u>510,373</u>	<u>526,195</u>	<u>(579,468)</u>	<u>-</u>	<u>-</u>	<u>457,100</u>

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2014

11. **THE FUNDS OF THE CHARITY** (Continued)

	1 January 2014 £	Incoming resources £	Outgoing resources £	Gains on investments £	Transfers between funds £	31 December 2014 £
Unrestricted income funds:						
General Fund	64,436	75,013	(81,249)	-	-	58,200
Trust Fund Capital:						
Capital	100	-	-	-	-	100
Total Funds	1,273,015 =====	601,208 =====	(660,717) =====	16,567 =====	- =====	1,230,073 =====

Endowment funds

The endowment funds represent permanent capital sums given to the charity and are held as fixed asset investments. The income arising on these funds is to be expended in accordance with the donors' wishes on specific projects at the University of Cape Town. Undistributed funds are treated as restricted funds and are held as cash.

Glaxo Chair

Income from the Glaxo Chair endowment is for UCT's Glaxo Chair in Primary Healthcare.

Law Faculty

The income is reinvested to increase the value of the endowment for UCT's Law Faculty.

Mibashan

The income is used for merit awards for registrars in UCT's Department of Medicine.

Oates

The income is used for merit awards for registrars in UCT's Department of Medicine.

Andrews

Income is used to fund the Robert Andrews Piano Prize at UCT.

Kaplan Award

The income is used to fund an annual award in the field of medical virology.

Included within the total of endowment funds are net unrealised gains arising on the revaluation of the charity's investment assets totalling £223,790 (2013: £207,223).

Restricted funds

Bursary fund provides bursaries for students who hail from disadvantaged backgrounds and who, without financial aid, would not be able to attend UCT.

Annual Appeal fund contributes to projects determined by UCT's Annual Appeal to alumni around the world.

Baxter Theatre fund supports the work of the Baxter Theatre, part of the University of Cape Town.

College House fund constitutes contributions from alumni of the College House residence, to be used to fund bursaries.

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2014**

11. **THE FUNDS OF THE CHARITY** (Continued)

Distinguishing UCT fund contributions to the University's endowment fund.

Drug Discovery and Development fund provides for the refurbishment of laboratories to be used by the Centre for Drug Discovery and Development.

FHS Centenary: donations to this fund are given in celebration of 100 years of the Faculty of Health Sciences, and are used for projects in the Faculty.

Forensic Pathology Institute fund supports the establishment of a new Forensic Pathology Institute.

Julian Baring Scholarship Fund supports students from historically disadvantaged backgrounds, who have an interest in mining.

Keswick Prize fund supports an annual prize to encourage lucid writing.

Law Faculty fund: funds raised are used for Law bursaries or are invested in the Law Faculty Endowment Fund.

Libraries fund provides support to projects at UCT Libraries.

Little Theatre fund helps to renovate and develop this iconic building on UCT's Hiddingh Campus

The Lord & Lady Lurgan Trust Bursary supports students of excellence at UCT's Opera School.

O&G fund supports projects in the Department of Obstetrics & Gynaecology, including a new Professorship and Head of Clinical Unit in Reproductive Health and Fertility Regulation.

Opera School fund supports UCT's Opera School, with donations going towards bursaries and the building of an endowment fund - helping talented young South Africans follow their dreams.

PMHP fund supports the Perinatal Mental Health Project at UCT.

Sigrid Rausing Trust supports the "Eric Abraham Awards for Refugees and Scholars at Risk".

Residences fund contribute towards the capital costs of a student residence buildings.

Prof Robertson fund supports the Professor Mary May Robertson Scholarship and Prizes in the Faculty of Health Sciences.

Rugby Club fund supports UCT's Rugby Club initiatives.

Schools Improvement Initiative: UCT's answer to the ongoing educational crisis in South Africa. Donations support projects in both primary and secondary schools in the Western Cape.

SHAWCO fund helps to finance the Students' Health and Welfare Centres Organisation, a student run NGO based at UCT.

Smuts Hall: contributions to this fund come from UCT alumni who were resident in the Smuts Hall residence during their time at UCT. Funds are used to support Smuts Hall initiatives.

Spirit of 68 Award supports creative initiatives by UCT students in addressing a social issue, with an emphasis on supporting novel approaches to reducing social exclusion and is funded by veterans of the '68 sit-in at UCT.

WHO/EEC fund funds joint UCT/WHO research projects.

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2014**

12. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Fixed assets £	Net current assets £	Total £
Endowment funds	714,673	-	714,673
Restricted income funds	-	457,100	457,100
Unrestricted income funds	578	57,722	58,300
NET ASSETS	<u>715,251</u> =====	<u>514,822</u> =====	<u>1,230,073</u> =====

13. RELATED PARTY TRANSACTIONS

The charity is fundamentally related to the University of Cape Town in South Africa (UCT) in the performance of its entire charitable works. Transactions with UCT are disclosed in the notes to the financial statements where relevant.

14. COMMITMENTS UNDER OPERATING LEASES

At 31 December the charity committed to making the following payments during the next year under non-cancellable operating leases as follows:

	2014 £	2013 £
Land and buildings expiring within one year	10,080 =====	10,080 =====