



# The University of Cape Town Trust

Annual Report & Accounts

31 December 2008



**ERNST & YOUNG**

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83a High Street, Esher, Surrey KT10 9QA, UK  
Tel: 01372 477116 Fax: 01372 477118 E-mail: [uct-trust@tecrec.net](mailto:uct-trust@tecrec.net)

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

**Trustees:** Sir Aaron Klug O.M.(Chair) Sir Franklin Berman KCMG QC Baroness Chalker of Wallasey Lord Hoffmann  
Prof Jeffrey Jowell QC Mrs Irene Menell Mr N F Oppenheimer Em.Prof Stuart Saunders Jennifer Ward Oppenheimer

# **The University of Cape Town Trust**

## **Report and Financial Statements**

31 December 2008

**The University of Cape Town Trust** is a UK Charitable Trust supporting 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.

**Board of Trustees**

Professor Sir Aaron Klug O.M., FRS (Chairman)  
Sir Franklin Berman KCMG QC  
Baroness Chalker of Wallasey  
The Rt. Hon. The Lord Hoffmann  
Professor Jeffrey Jowell QC  
Mrs Irene Menell  
Mr Nicky Oppenheimer  
Mrs Jennifer Ward Oppenheimer  
Emeritus Professor Stuart Saunders

**Consultant Director**

Sibylla Tindale (Until 31<sup>st</sup> March 2009)  
Angela Ross (From 1<sup>st</sup> April 2009)

**Auditors**

Ernst & Young LLP  
1 More London Place  
London  
SE1 2AF

**Bankers**

National Westminster Bank Plc  
9 High Street  
Cobham  
Surrey  
KT11 3DJ

**Solicitors**

Speechly Bircham  
6 St Andrew's Street  
London  
EC4A 3LX

**Charity address**

83a Esher High Street  
Esher  
Surrey  
KT10 9QA  
Tel: (01372) 477116  
Fax: (01372) 477118  
E-mail: [uct-trust@tecrec.net](mailto:uct-trust@tecrec.net)

## Chairman's report

### THE UNIVERSITY OF CAPE TOWN TRUST'S CONTRIBUTION

During 2008, its seventeenth year of operation, the UCT Trust has continued to raise funds for the University of Cape Town to the value of £816,377 (2007: £876,942) in donations from the UK and Europe. A further c.£21,875 (R350,000) was donated directly to South Africa as a result of work done here in the UK. Also, £21,677 (2007: £22,046) was collected from investments held in the UK for Law, Medical and Music prizes at UCT, and for an endowed Chair in the Faculty of Health Sciences.

Donations received in 2008 were about 7% down on those received in 2007. This was not as large a margin as might have been expected, bearing in mind the economic downturn.

The Trust continued working to expand its role in developing alumni relations in the UK throughout the year.

The help of our Trustees and many committed friends continues to be invaluable to our UK fundraising, especially that of Dr. Stuart Saunders, former Vice Chancellor and Trustee. I would also like to thank Professor Ndebele for his superb support during the first half of the year until he handed over the reins to Dr. Max Price who has immediately taken on an active role in UK fundraising.

### THE HIGHLIGHTS OF THE DONATIONS

During this period, some 43% of gifts were aimed at capacity building to ensure that the quality of facilities, teaching and research aligns with UCT's mission for excellence.

The balance, 57% of donations, provided undergraduate bursaries and postgraduate fellowships for students from financially and educationally disadvantaged backgrounds.

The highlights of donations made in 2008 are:

- A substantial donation from The Wolfson Foundation helped to refurbish the postgraduate suite of Chemistry laboratories;
- The Sigrid Rausing Trust continued its far-sighted six year Bursary and Fellowship programme for refugees and Scholars at Risk;
- The David & Elaine Potter Foundation continued with the fifth year of its significant programme for Masters and Doctoral students. The programme's objective is to develop graduates who will contribute to the country's development, and nurture a civil society in South Africa;
- CHK Charities Limited began a three year commitment to fund the post of Curriculum Director in the Department of Obstetrics & Gynaecology (O & G);
- The Ove Arup Foundation entered the final year of a Fellowship Programme in the "African Centre for Cities" at the Faculty of Engineering & Built Environment;
- The Nuffield Foundation and the Leverhulme Trust continued their three year Equity Development Fellowship programmes in the Department of Chemistry;



*Prof Kelly Chibale and postdoctoral Fellow in newly refurbished Chemistry laboratory, examining plant material that could provide leads for new antimalarial drugs*

## Chairman's report

- The International Bar Association embarked on a three year bursary programme to support African students from outside South Africa who are studying Law;
- Daimler Chrysler (Germany) completed its latest extensive three year bursary programme for both undergraduate and postgraduate students;
- Lonmin plc embarked on a prestigious five year Earth Stewardship Science Fellowship programme within AEON (the Africa Earth Observatory Network);
- Other notable bursary support has come from Pearson plc, Rio Tinto plc, Johnson Matthey, Misys Foundation, Stevenson Family Trust, Stephen Lawrence Trust, The Schroder Foundation, The Law Society and the Edward & Dorothy Cadbury Trust; and
- UK alumni donated a total of £54,903 which was aimed at the Chancellor's Challenge Annual Appeal, Bursaries, the Law Faculty, the Graduate School of Business and SHAWCO (Student Health & Welfare Community Organisation).

### RISKS FOR THE FUTURE

- The economic crisis affecting the UK and global markets has had a strong effect on donor sentiment and has meant an enormous reduction in both corporate profits and charitable trust incomes. This will continue to affect our ability to raise significant support until the effects of the 'credit crunch' have dissipated;
- Donor sentiment is currently not wholly supportive towards South Africa. Although there is the belief that South Africa has made a remarkable transition to democracy and a stable economy, there is still concern at developments within Southern Africa – (ie the Zimbabwean situation and the xenophobic outbursts in the second half of 2008, and the turmoil surrounding the change of President in South Africa);
- Increasing competition for scarce funds available to the university sector and South Africa: The Trust now competes with UK universities who need to boost their research incomes and bursary capabilities to remain in the forefront world-wide. We also meet increasing competition from South African institutions fundraising in the UK, and who draw from the finite pool of goodwill aimed at Africa;
- UK corporates are less likely to support us because of shareholder pressure to direct corporate profits towards UK-focused projects. In addition, many UK corporates are delegating support decisions to their South African counterparts, which inevitably reduces our chances of getting direct UK support;
- Reduction in the number of companies, as potential donors, whom we can approach, especially in financial services markets (a major presence in South Africa) due to the ongoing trend for globalisation and mergers of corporate donors; and
- Donor change of focus: Many of our benefactors have been supporting UCT for many years, some for nearly 10 years, and feel that they have done their duty by us and have moved to focus on other worthy projects. This is a risk for us as we have been operating in the UK for many years, and there are only a limited number of benefactors ready to donate to educational causes outside of the UK.

## Chairman's report

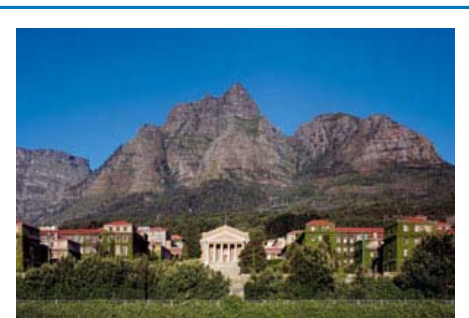
### OPPORTUNITIES FOR THE TRUST

- Despite the risks outlined above, many opportunities remain open to the Trust. Strategies to exploit these to their full advantage are set out below, including in particular a stronger emphasis on alumni relations and facilitating meetings in order that the Vice-Chancellor may spread news of UCT strengths and successes to a wider audience here in the UK.
- We are hopeful that new Faculty projects (such as The Gordon Institute of Performing and Creative Arts, the Children's Institute, Centre for Mental Health and the Percy Fitzpatrick Institute of Ornithology) in the pipeline will provide real opportunities for enhancing the range of projects this Trust can offer to donors.
- The University's focus on building strong alumni relations, supported by our extra UK focus on alumni, should bear fruit as regards the Annual Giving Campaigns and the individual faculty-based campaigns.
- Our high profile, respected friends and trustees will continue to help us open new doors and secure support in the UK and Europe. Dr Stuart Saunders, former Vice Chancellor and Trustee, remains an invaluable ally, and newly installed Vice Chancellor, Dr Max Price, is an active and enthusiastic fundraiser.
- UCT being ranked in the top 200 universities of the world (2008 Times Education Supplement ranking), the only one in Africa and one of four listed from developing countries, is especially noteworthy to UK donors.
- Positive sentiment: our current benefactors appreciate the relationship built up over the years and also the necessity of helping UCT to provide world-class education and providing funding for students from disadvantage background to study there. UCT's ethos of open, vigorous debate and its seminal role in the country is fully recognised.

### UCT'S ROLE IN SOUTH AFRICA AND AFRICA

In closing, it is pertinent that we restate our view on UCT's role in Africa and Southern Africa, its record for liberal democracy and outspoken defence of human rights, and why it continues to be so vital for us to support this centre of excellence.

- UCT's excellence is recognised with its ranking as the only African university in the top 200 universities worldwide, climbing 21 places from 200<sup>th</sup> in 2007 to 179<sup>th</sup> in 2008 in the Times Higher Education QS World University Rankings.
- The University continues to set the pace and help inform policy in South Africa. It is the leading research institution as judged by independent review and attracts leading scholars. UCT boasts over 40% of South Africa's A-rated scientists and engineers (A-rated as world class in their fields by the National Research Foundation - NRF), eight of the 41 MRC-funded research centres, and two Department of Science & Technology National Research Foundation - Centres of Excellence.
- UCT has to date been awarded over a third (25 in total) of the new South African Research Chairs by the NRF.



View of UCT's campus on the flanks  
of Table Mountain

## Chairman's report

- 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. To date there are 43 graduates, all of whom remain in the African continent. Further, UCT has about 4000 foreign students, from over 31 countries, the majority hailing from Southern Africa.
- UCT makes an impact in business and entrepreneurship development with its leading Business School (GSB), which was ranked 71<sup>st</sup> in the world in the 2008 Financial Times international survey, and the only one in Africa to be in the top 100. The fulltime MBA course was ranked the "best value for money MBA in the world".
- The University continues to embrace the challenges posed by the increasing number of students under-prepared as a result of disadvantaged schooling (55% of the total 2008 student enrolment of 22,300 were black and many came from disadvantaged backgrounds). The Academic Development Programme offers a wide range of bridging courses, intensive tutorials, language/communication skills, numeracy and computer literacy courses to prepare students for their university degrees and working lives.

Other facets of the University's commitment to equity are:

- the crucial Financial Aid scheme for students: This enables students from disadvantaged backgrounds to study at UCT by helping them with loans and bursaries on a means-tested and merit basis. This remains one of the priorities for our fundraising. UCT makes available over £5million (R64million) in financial aid and loan schemes to encourage talented, yet needy students to live and learn there
- the staff and academic Equity Development Programmes (EDP): These are aimed at drawing on the widest pool of talent to become the researchers and academics of the future. The EDP encourages more black and more female academics to stay on in academia through a variety of interventions i.a. provision of bursaries for postgraduate qualifications; provision of mentoring and guidance; and through grooming these younger incumbents to build expertise and to fill academic positions coming free through retirement. The EDP is operational now in all the 6 faculties – Commerce, Engineering & the Built Environment, Health Sciences, Humanities, Law and Science.

### THANK YOU

On behalf of the Trustees and the University, may I once again thank our benefactors for their very generous and farsighted support. It remains essential that we continue to gain and also retain your support to ensure that UCT, this centre of excellence, continues to play its unique role in South African higher education.

As I step down as Chairman of the Trust, I would also like to say a special thank you to Sibylla Tindale for her many years of work as Consultant Director of the Trust, now ably succeeded by Angela Ross who moves from Consultant Administrator to Consultant Director.

**Sir Aaron Klug O.M., FRS.**  
**Chairman, UCT Trust**

## Statement of statutory information and policies of the University of Cape Town Trust (continued)

### The purpose of the UCT Trust

The University of Cape Town Trust (also known as the UCT Trust) is a registered UK charitable trust number 803042. It raises funds and support in Britain and in other parts of Europe for the university (UCT). 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; one that produces well-trained graduates to lead South Africa's economic and social transformation; one that educates in a liberal and democratic environment; and one that strives for equity in all it does.

The original Deed of Trust was created in 1990 (and lodged with the UCT Trust's solicitors, Speechly Bircham) and this regulates the purpose and administration of the charity.

### The objectives of the UCT Trust

They are to raise significant funds for the various key projects for which the University seeks help; to delight our donors in all we do and to provide them with accurate, clear and regular reporting; and to build UCT's reputation within the UK and beyond into Europe.

The Trust's strategy to meet its objectives is to continue to interest major donors in our signature fundraising projects. This involves having our Vice-Chancellor and other key members of UCT to meet with our donors as well as our alumni in the UK.

### The UCT Trust and its policies

#### ***Appointment of Trustees***

The Chair and a minimum quorum of two Trustees appoint any additional Trustees, as required. New Trustees are selected by discussion amongst the current Board of Trustees, and an open vote is made in the meeting.

#### ***Organisation of the Trust***

The UCT Trust is organised as follows: it has a Board of Trustees, led by a Chair. It is administered on a part-time basis by two self-employed consultants, who provide advice to the Trustees and to the activities of the Trust. The Trust uses the volunteer help of the former Vice Chancellors and other key representatives of UCT to help in its UK fundraising. The Trust 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, its needs and enables the Trustees to determine how best to support the major fundraising requirements within its limited resource base.

#### ***Level of income reserves***

These are determined by the level of the annual operating grant needed to run the Trust. This is paid by direct grant from the University, based on an annual forecasted budget.

## **Statement of statutory information and policies of the University of Cape Town Trust (continued)**

### ***Investment policies***

- 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-Merrill Lynch UK.
- The proceeds are remitted to a particular project once a year to UCT. The capital remains in the CAF investment portfolio and Black Rock-Merrill Lynch, split 50:50 between bonds and equities.

### ***Grant-making policies***

- Selection of recipients for grants made to the university: These are determined mainly by the original donor of funds to the UCT Trust. 100% of our donations are designated for a particular purpose and are applied as such at the University. Where the donation is not designated - in the case of some smaller donations - these are applied as bursaries to means-tested and needy applicants, mainly students from disadvantaged backgrounds.
- Grants donated to the Trust are transferred in their entirety to the University and 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.

## Statement of Trustees' responsibilities

The Trustees are responsible for preparing the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the Trust and of its incoming resources and resources expended for that period. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and Statement of Recommended Practice 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 Trust will continue to operate.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the trust and to enable them to ensure that the financial statements comply with the Charities Act 1993. They are also responsible for safeguarding the assets of the trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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# **Independent auditors' report**

## **to the Trustees of The University of Cape Town Trust**

We have audited the charity's financial statements for the year ended 31 December 2008 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes 1 to 10. These financial statements have been prepared on the basis of the accounting policies set out therein.

This report is made solely to the Trustees in accordance with section 43 of the Charities Act 1993 and regulations made under Section 440 of that act. Our audit work has been undertaken so that we might state to the Trustees those matters we are required to state to them in an auditors' 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 Trustees for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of Trustees and auditors**

As described in the Statement of Trustees' Responsibilities, the charity's Trustees are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards as set out in the Statement of Trustees' responsibilities.

We have been appointed as auditors under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that Act. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Charities Act 1993 and whether the information given in the Trustees' Report is consistent with the financial statements. We also report to you if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit.

We read the Chairman's Report and consider the implications for our report if we become aware of any apparent misstatements within it.

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the Trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Trust's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

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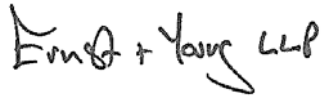
## Independent auditors' report

to the Trustees of The University of Cape Town Trust

### Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of affairs of the charity as at 31 December 2008 and of the charity's incoming resources and application of resources, for the year then ended; and
- the financial statements have been properly prepared in accordance with the Charities Act 1993.



Ernst & Young LLP  
Registered Auditor  
London

## Statement of financial activities

for the year ended 31 December 2008

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds income £	Endowment funds capital £	Total 2008 £	Total 2007 £
<b>Income and expenditure</b>							
<b>Incoming resources</b>							
Donations	2	–	816,377	–	–	816,377	876,942
Operating grant	3	81,000	–	–	–	81,000	76,993
Bank interest receivable		3,138	16,334	1,805	–	21,277	26,891
Funds investment income		–	–	21,677	–	21,677	22,046
Law Faculty - reinvested interest		–	–	2,418	–	2,418	2,333
<b>Total incoming resources</b>		<b>84,138</b>	<b>832,711</b>	<b>25,900</b>	<b>–</b>	<b>942,749</b>	<b>1,005,205</b>
<b>Resources expended</b>							
Contributions to UCT from donations:							
Direct to Cape Town programmes		–	547,278	1,760	–	549,038	943,531
Direct to WHO/EEC		–	13,955	–	–	13,955	–
Direct to GOOT		–	–	–	–	–	3,000
Administrative expenses	4	92,882	–	–	–	92,882	69,541
Transfer from unrestricted funds		990	(990)	–	–	–	–
<b>Total resources expended</b>		<b>93,872</b>	<b>560,243</b>	<b>1,760</b>	<b>–</b>	<b>655,875</b>	<b>1,016,072</b>
<b>Net incoming/( outgoing) resources for the period</b>		<b>(9,734)</b>	<b>272,468</b>	<b>24,140</b>	<b>–</b>	<b>286,874</b>	<b>(10,867)</b>
<b>Other recognised gains and losses</b>							
Unrealised (losses) /gains on investment assets	7	–	–	–	(111,353)	(111,353)	(19,999)
Fund balances brought forward at 1 January 2008		38,981	367,063	42,517	596,658	1,045,219	1,076,085
<b>Fund balances carried forward at 31 December 2008</b>		<b>29,247</b>	<b>639,531</b>	<b>66,657</b>	<b>485,305</b>	<b>1,220,740</b>	<b>1,045,219</b>

There are no recognised gains or losses in either period other than those disclosed above.

## Balance sheet

at 31 December 2008

	<i>Notes</i>	2008 £	2007 £
<b>Fixed assets</b>			
Tangible assets	6	481	986
Investments	7	487,723	596,658
		<u>488,204</u>	<u>597,644</u>
<b>Current assets</b>			
Debtors	8	8,322	126,151
Cash at bank and in hand		743,720	460,824
		<u>752,042</u>	<u>586,975</u>
<b>Creditors:</b> amounts falling due within one year	9	(19,406)	(139,300)
		<u>732,636</u>	<u>447,675</u>
<b>Net current assets</b>		<u>732,636</u>	<u>447,675</u>
<b>Total assets less current liabilities</b>		<u>1,220,840</u>	<u>1,045,319</u>
<b>Income funds</b>			
Unrestricted funds	10	29,247	38,981
Restricted funds	10	639,531	367,063
Endowment funds - undistributed income	10	64,239	42,517
		<u>733,017</u>	<u>448,561</u>
<b>Endowments - capital funds</b>	7	487,723	596,658
		<u>1,220,740</u>	<u>1,045,219</u>
<b>Trust fund capital</b>		100	100
		<u>1,220,840</u>	<u>1,045,319</u>

Sir Aaron Klug O.M., FRS  
Chairman of the Board of Trustees

## Notes to the financial statements

at 31 December 2008

### 1. Accounting policies

#### ***Basis of preparation***

The financial statements have been prepared in accordance with applicable accounting standards and follow the recommendations of the Statement of Recommended Practice – Accounting and Reporting by Charities (revised 2005).

This report has been prepared in accordance with the special provisions of the Charities Act of 1993.

#### ***Accounting convention***

These financial statements are drawn up under the historical cost accounting convention except that investment assets are carried at market value.

#### ***Depreciation***

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset 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.

#### ***Foreign currencies***

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date.

All differences are taken to the profit and loss account.

#### ***Leasing commitments***

Rent payable is charged in the profit and loss account.

#### ***Incoming resources***

All incoming resources are accounted for on a receivable basis.

Donations are dealt with in the year in which they are received.

Donations paid directly to the University of Cape Town are excluded from the financial statements.

#### ***Resources expended***

All expenditures are accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. This includes the following:

##### *Cost of generating funds*

The majority (70%) of the operating cost of £102,808 (excluding depreciation and currency gain) is expended on supporting fundraising – which includes the following activities: donor research, approaches, managing the donations, donor reports and liaising with UCT to ensure donations are correctly used on their specified projects. 17% is expended on alumni activities.

##### *Cost of governance*

The balance of 13% (£13,904) is expended on the audit and accounting fees.

## Notes to the financial statements

at 31 December 2008

### 1. Accounting policies (continued)

#### *Funds structure*

The UCT Trust has a number of restricted income funds to ensure that specific donations for specific projects at the University of Cape Town are expended according to the donor's wishes (see Note 10).

In addition, the UCT Trust has Restricted Endowment Funds which are capital endowments gifted by donors to be invested in the UK, with the purpose of yielding an annual income for specific projects. The income is applied to these specific projects at the University (see Note 7).

#### **Statement of cash flows**

A statement of cash flows has not been prepared as the Trust qualifies as a small entity and is therefore exempt from the requirements to produce a statement of cash flows in accordance with FRS 1.

### 2. Donations

Donations comprise:

	2008	2007
	£	£
Foundation, trust and company donations	748,905	846,693
Private - gift aid	52,814	25,032
- other	14,658	5,217
	<hr/>	<hr/>
Restricted funds (see Note 10)	816,377	876,942
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### 3. Operating grant

The operating grant represents contributions from the University of Cape Town towards the administrative expenses of the Trust.

## Notes to the financial statements

at 31 December 2008

### 4. Administrative expenses

	<i>Fundraising</i>	<i>Alumni</i>	<i>Governance</i>	<i>Others</i>	<i>2008</i>	<i>2007</i>
	£	£	£	£	<i>Total</i>	<i>Total</i>
					£	£
Consultancy and administration	50,964	5,579	–	–	56,543	49,960
Travel and accommodation	10,081	74	–	–	10,155	6,028
Communications and stationery	2,997	430	–	–	3,427	2,785
Auditors' remuneration - audit fees	–	–	9,632	–	9,632	8,542
Accountancy	–	–	4,272	–	4,272	3,135
Depreciation	–	–	–	505	505	505
Insurance	249	–	–	–	249	362
Rent	6,843	–	–	–	6,843	6,716
Bank charges	46	–	–	–	46	69
Sundry	331	–	–	–	331	201
Alumni functions – net cost	–	11,011	–	–	11,011	(419)
Books and training	299	–	–	–	299	813
Profit on currency rates exchange	–	–	–	(10,431)	(10,431)	(9,156)
	<u>71,810</u>	<u>17,094</u>	<u>13,904</u>	<u>(9,926)</u>	<u>92,882</u>	<u>69,541</u>

See Note 1 for details of the allocation of administrative expenses.

### 5. Trustees' remuneration

The Trustees were not paid or reimbursed for expenses during the year.

## Notes to the financial statements

at 31 December 2008

### 6. Tangible fixed assets

	<i>Computers</i> £	<i>Office equipment</i> £	<i>Furniture and fittings</i> £	<i>Total</i> £
Cost:				
At 1 January 2008 and 31 December 2008	4,207	1,022	1,354	6,583
Depreciation:				
At 1 January 2008	3,562	1,022	1,013	5,597
Provided during the year	370	–	135	505
At 31 December 2008	3,932	1,022	1,148	6,102
Net book value:				
At 31 December 2008	275	–	206	481
At 31 December 2007	645	–	341	986

### 7. Investments

	2008 £	2007 £
Market value of investments as at 1 January	596,658	608,774
Additions	2,418	7,883
Unrealised losses on investments	(111,353)	(19,999)
Market value of investments as at 31 December	487,723	596,658
Historical cost as at 31 December	443,728	441,310
The fixed asset investments are represented by the following endowment funds:		
	2008 £	2007 £
Glaxo Chair	404,018	497,263
K Oates Inc.	17,787	21,838
R Andrews	2,413	2,898
Professor Mibashan	12,214	14,978
Law Faculty	49,589	57,700
Yash Ghai	1,702	1,981
	487,723	596,658

## Notes to the financial statements

at 31 December 2008

### 7. Investments (continued)

The global economic downturn has had a profound effect on the value of investments held by the Trust, which have dipped considerably during the year. Market valuations are made annually by the investment fund managers (CAF Investments, managed by UBS and Black Rock-Merrill Lynch) with reference to readily available market prices.

All investments are held in accordance with the Memorandum of Association of the Trust.

### 8. Debtors

	2008	2007
	£	£
Income tax recoverable	5,043	1,151
Costs event - recoverable from UCT	2,718	–
Sundry – recoverable bank charges	61	–
Grant receivable	500	125,000
	<u>8,322</u>	<u>126,151</u>
	<u><u>8,322</u></u>	<u><u>126,151</u></u>

### 9. Creditors: amounts falling due within one year

	2008	2007
	£	£
Consultancy and secretarial	2,645	1,800
Audit and accountancy	13,200	12,500
Grant committed not paid	500	125,000
Costs relating Alumni event	3,061	–
	<u>19,406</u>	<u>139,300</u>
	<u><u>19,406</u></u>	<u><u>139,300</u></u>

## Notes to the financial statements

at 31 December 2008

### 10. Statement of funds

#### Unrestricted funds

	<i>Balance at</i>	<i>Movements</i>		<i>Balance at</i>
<i>1 January</i>	<i>incoming</i>	<i>outgoing</i>	<i>Transfer</i>	<i>31 December</i>
<i>2008</i>	<i>resources</i>	<i>resources</i>		<i>2008</i>
£	£	£	£	£
38,981	84,138	(92,882)	(990)	29,247

#### Restricted funds

	<i>Balance at</i>	<i>Movements</i>		<i>Balance at</i>
<i>1 January</i>	<i>incoming</i>	<i>outgoing</i>	<i>Transfer</i>	<i>31 December</i>
<i>2008</i>	<i>resources</i>	<i>resources</i>		<i>2008</i>
£	£	£	£	£
Bursaries for disadvantaged students	196,416	101,638	(98,921)	199,133
Ackerman	73,233	2,543	(2,340)	73,436
Sainsbury scholars	256	–	–	256
Growing Our Own Timber (GOOT)	29	–	–	29
Shawco	387	4,008	(1,561)	2,834
WHO/EEC	16,773	96	(13,955)	3,904
Vodafone	282	12	–	294
Law Faculty (International Bar Association)	2,584	28,406	(10,161)	20,829
Graduate School of Business	537	1,308	(1,742)	103
Daimler Chrysler	157	22,792	(22,866)	83
Potter Fellowships	439	60,790	(61,110)	119
IID & MM	14	205	(210)	9
O&G	–	72,064	(33,497)	38,567
Keswick Lucidity Prize	1,924	66	(700)	1,290
Chancellor's Challenge	2,393	18,638	(13,108)	7,923
Ove Arup	228	51,006	(51,230)	4
AEON	68,143	65,349	(97,671)	35,821
Chemistry	796	317,409	(65,683)	252,522
Sigrid Rausing Trust	2,245	84,084	(84,000)	2,329
Professor Mary Robertson	227	2,297	(2,478)	46
	367,063	832,711	(561,233)	639,531

All of the restricted funds above comprise donations for specific projects at the University of Cape Town and are expended according to the donor's wishes. During the year, £990 was transferred to the WHO/EEC fund from unrestricted funds to reflect the exchange gains made on cash held on Euro deposit.

## Notes to the financial statements

at 31 December 2008

### 10. Statement of funds (continued)

#### Restricted endowment funds

	<i>Balance at 1 January 2008</i>	<i>Movements in</i>		<i>Balance at 31 December 2008</i>
		<i>incoming resources</i>	<i>outgoing resources</i>	<i>Transfer</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Glaxo Chair	40,748	21,724	–	–
K Oates Inc.	946	924	(941)	–
R Andrews	128	120	(128)	–
Professor Mibashan	659	630	(654)	–
Yash Ghai	36	84	(37)	–
Law Faculty	–	2,418	–	(2,418)
	<u>42,517</u>	<u>25,900</u>	<u>(1,760)</u>	<u>(2,418)</u>
	<u>64,239</u>			

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

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

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

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

**Professor Mibashan:** The income is used for merit awards for registrars in UCT's Dept. of Medicine.

**Yash Ghai:** The income is used to fund the Yash Ghai prize for Constitutional Law.

The undistributed income balances on the restricted funds represents income from endowments that had yet to be spent at 31 December 2008, and were held as cash.