

The University of Cape Town Trust

UK Registered Charity 803042

Trustees' Annual Report & Financial Statements 31st December 2020



THE UNIVERSITY OF CAPE TOWN
Trust

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

Trustees: Paul Kumleben (Chair) Sir Franklin Berman KCMG QC Professor Hugh Corder The Hon. Dame Linda Dobbs DBE
Richard J Gnodde Dame Judith Macgregor DCMG LVO Charles G McGregor Professor Ntobeko Ntusi
Justice Catherine O'Regan Dr Elaine Potter Stephen Westwell



THE UNIVERSITY OF CAPE TOWN *Trust*

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Charity Number: 803042

Consultant Director: Mrs Angela Edwards

TRUSTEES

Mr Paul Kumleben	Chair [from November 2020]
Sir Franklin Berman KCMG QC	Chair [January to October 2020]
Professor Hugh Corder	
The Hon Dame Linda Dobbs DBE	
Mr Richard Gnodde	
Dame Judith Macgregor DCMG LVO	
Mr Charles McGregor	
Professor Ntobeko Ntusi	
Justice Catherine O'Regan	
Dr Elaine Potter	
Mr Stephen Westwell	

Solicitor: Charles Russell Speechlys LLP, 5 Fleet Place, London EC4M 7RD

Auditor: Buzzacott LLP, 130 Wood Street, London EC2V 6DL

Banker: NatWest Bank plc, 1 High Street, Weybridge, KT13 5UA

Investment Managers: BlackRock, PO Box 9036, Chelmsford, CM99 2XD
CCLA, Senator House, 85 Queen Victoria Street, London EC4V 4ET
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**TRUSTEES' ANNUAL REPORT
for the year ended 31 December 2020**

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 2020.

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.

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

The University of Cape Town Trust ("UCT Trust" or "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, the leading research institution on the continent producing well-trained graduates to lead South Africa's economic and social transformation. 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*.

The 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 Trust's solicitors, Charles Russell Speechlys) regulates the purpose and administration of the charity.

Organisational Structure

The UCT Trust is administered by a board of Trustees, led by its 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 discussion either at meetings or by correspondence, 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 of the Trust's affairs 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 respect of the activities of the charity.

The Trust benefits from the assistance of key UCT representatives, to help in its UK fundraising. The charity is in regular contact with the Vice-Chancellor of the University of Cape Town, the Deans of Faculties, and the Department of Alumni and Development. This contact provides guidance to the UCT Trust, keeping it in touch with the university's strategy, its policies and its needs, and enabling the Trustees to determine how best to support the major funding requirements from its limited resources.

Remuneration Policy

Trustees direct and control the operations of the Trust. None of them receives any remuneration from the Trust.

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 notably as and when vacancies arise. As matters presently stand, one of the Trustees is also a senior member of the UCT staff.

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.

**TRUSTEES' ANNUAL REPORT
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STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

The Trustees elect their Chairman.

Induction & Training

The role and responsibilities of a Trustee are explained to all new 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 growing uncertainty over funding from voluntary income sources in support of scholarships and bursaries, and other UCT projects. There is ongoing competition for the necessarily limited quantity of funds which are available from the UK for South Africa and for the university sector, and the UK's departure from the European Union, and the long-term effects of the COVID-19 pandemic on the economy are added sources of uncertainty as to the funding climate.

The Trustees manage these risks by ensuring that regular communication with past, present, and potential future donors is maintained, in particular and increasingly through the alumni network. In doing so, the Trust ensures that the wealth of good news emerging from UCT, notably the university's continually high position in global rankings, the world class research being carried out in the various Faculties, and the ever increasing and positive far-reaching influence the work of UCT has throughout much of the African continent, is emphasised at all times.

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. Strict financial procedures are in place regarding payment and transfer 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 income and expenditure 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 Statement of Recommended Practice Applicable to Charities Preparing their Accounts in Accordance with the Financial Reporting Standard Applicable in the UK & Republic of Ireland (FRS 102);
- 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 keep the charity's auditing arrangements under regular review.

**TRUSTEES' ANNUAL REPORT
for the year ended 31 December 2020**

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**Trustees' Responsibilities in the Preparation of Financial Statements (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 financial statements may differ from legislation in other jurisdictions.

Auditor

Buzzacott LLP was appointed as auditor in November 2020.

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.

Charitable Objectives

The charitable objective for which the Trust 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 Trust is the provision of support for UCT, and the dissemination of information about the work being carried out at the University.

The Trust seeks to raise significant funds for scholarships and bursaries, and for various key projects which have been prioritised by the University. The Trust aims to provide donors, potential donors, and other supporters of UCT with accurate, clear and regular reporting, and to build UCT's reputation within the United Kingdom and beyond into the rest of Europe.

The Trust's strategy to meet its objectives is to continue to interest major donors in signature fundraising projects, facilitating relationships between the Vice-Chancellor and other key members of UCT with donors and UCT alumni in the United Kingdom; and to encourage UCT alumni in the United Kingdom to offer regular financial support to their *alma mater*, through the UCT Trust Annual Appeal and by showcasing specific projects at events held in the UK.

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;
- Progress of campaigns to enhance infrastructure, and the Annual Appeal to alumni;
- The performance of the six faculties: Commerce, Engineering & the Built Environment, Health Sciences, Humanities, Law, and Science;
- UCT's positioning as a global university, and its position in the world rankings;
- The staging of successful events which showcase the University and encourage the engagement of alumni;
- The outcomes from various outreach activities of the University.

TRUSTEES' ANNUAL REPORT
for the year ended 31 December 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**Public Benefit**

The Trustees have taken The Charity Commission's specific guidance on public benefit (contained within the document "The Advancement of Education for the Public Benefit" – published 2013) into consideration in preparing their statements on public benefit contained within this Trustees' Annual Report.

Benefits & Beneficiaries

The immediate benefit provided by the charity is that of much needed 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 and its departments.

Trustees' Assessment of Public Benefit

In monitoring the delivery of public benefit from the Trust's activities, the Trustees use the indicators, milestones and benchmarks referred to above to measure success and 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 donations to the Trust are earmarked by the donor for specific purposes and are applied in accordance with those purposes by 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 UCT's current priority project.

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 purpose for which the corresponding donations were given. No levy 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 and maintenance of relations with UCT alumni throughout the United Kingdom with encouraging results, including in the area of fundraising.

ACHIEVEMENTS AND PERFORMANCE**Activities & Events**

2020 saw global lockdowns and the curtailment of travel due to the COVID-19 pandemic. Thus planned visits from the Vice-Chancellor and other UCT personnel were cancelled, as were a number of scheduled events. However, a number of virtual events were organised for UK based alumni, featuring talks from the Vice-Chancellor, researchers and project leaders, and there were a large number of online webinars and concerts hosted by the University for alumni around the globe. A successful fundraising initiative was mounted by the UCT Trust around an online Baxter Theatre performance.

The UCT Trust sent out an appeal to alumni to support a COVID-19 Emergency Fund, as well as submitting proposals to various UK Foundations and individuals, seeking funds for bursary programmes, infrastructure and community projects. The Annual Appeal was distributed to all UK based alumni towards the end of the year. This Appeal encouraged alumni to support urgent priorities such as the COVID-19 Emergency Fund, Student Debt, and Student Food Security, as well as the UK Alumni Bursary. Throughout the year, the UCT Trust ensured that all donors received timely reports and updates on how their funds have been utilised.

TRUSTEES' ANNUAL REPORT
for the year ended 31 December 2020

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

The success of the charity in 2020 was evident from the donations received. Funds raised have benefited many projects at UCT, including the COVID-19 Emergency Fund, research projects, the Schools Improvement Initiative, the Law Faculty, the Baxter Theatre, and numerous bursary programmes.

A number of individuals renewed their support in 2020, while a large percentage of alumni who responded to the Annual Appeal were first time donors.

Public Benefit

During 2020, the following evidence demonstrates that the Trust continues to benefit the public through its activities targeted to achieve its charitable objectives in support of UCT:

UCT continues to set the pace and inform policy in South Africa. It is the leading research institution on the African continent, housing 25% (30) of South Africa's A-rated scientists and engineers (ranked as world class in their fields by the National Research Foundation - NRF), and 6 of the 16 MRC-funded research centres. 8 out of the 26 extramural research units funded by the MRC are also housed at UCT, while 4 Department of Science & Technology / NRF Centres of Excellence reside, either in part or as a whole, at UCT. There are a total of 502 NRF rated researchers currently engaged at UCT, 12% of total. **UCT has been awarded nearly one-fifth (18%) of the South African Research Chairs (SARChI)**, an Initiative established by the Department of Science and Technology (DST) and managed by the NRF, to build scientific research and innovation capacity in the country.

UCT plays a crucial role not only in South Africa but also on the African continent, providing world class trained graduates and conducting pioneering research. UCT's excellence is recognised with its ranking as the only African university in the top 200 universities worldwide, as evidenced by the 2020/2021 Times Higher Education (THE) World University Rankings where it is ranked 155th, and the QS University Rankings (220th). UCT is ranked 103rd in the US News Best Global Universities ranking. In the THE subject rankings, UCT is in the top 100 universities globally in social sciences, and clinical and health. In the QS rankings, UCT is in the top 100 in seven disciplines, including Development Studies where it is ranked 10th.

UCT aims to expand and enhance its contribution to South Africa's development challenges, with a particular imperative to find Africa-specific solutions, such as developing vaccines for diseases like TB and HIV, which decimate African communities. Research carried out at UCT is often aimed at solving local problems which are not generally addressed by other global research universities, and a particular, Africa-informed set of knowledge is being developed. Areas of research strength have been identified, and interdisciplinary hubs are selected for particular support because they meet a number of strategic objectives and encompass a critical mass of researchers. They also provide an opportunity to leverage UCT's geographic advantage, and show potential for strong collaboration nationally, across the continent, and globally.

These hubs include **Data-intensive Research, Drug Discovery, Marine Research, and Schools Improvement**. The **African Centre for Cities**, an interdisciplinary research and teaching programme, seeks to facilitate critical urban research and policy discourses for the promotion of democratic and sustainable urban development in the global South from an African perspective.

Research institutes have been established to strengthen institutional, regional and national priorities; for example the Institutes of **Democracy, Citizenship and Public Policy in Africa, Infectious Diseases and Molecular Medicine**, and **Future Water**, the latter of which aims to contribute towards increasing water sensitivity to underpin improved quality of life and sustainable development in South Africa. The **Neurosciences Institute**, the first of its kind in Africa, draws together expertise in the basic sciences, public health and a wide array of other disciplines, to address the major research gap in understanding the impact of many disorders of the brain such as traumatic brain injury and the neurological and neuropsychiatric consequences of HIV and TB. **The Wellcome Centre for Infectious Diseases Research in Africa (CIDRI-Africa)** is the only Wellcome Centre to be established outside the UK.

TRUSTEES' ANNUAL REPORT
for the year ended 31 December 2020**ACHIEVEMENTS AND PERFORMANCE (continued)****Public Benefit (continued)**

UCT aspires to become a premier academic meeting point between South Africa, the rest of Africa and the world. UCT is a member of a number of international research alliances, such as the International Alliance of Research Universities (IARU), a network of 11 research-intensive universities which includes Oxford, Tokyo and Yale; the Worldwide Universities Network (WUN), a leading global higher education and research network made up of 21 top universities around the world; and the African Research Universities Alliance (ARUA) which aims to enhance research and graduate training through a number of channels including the setting up of Centres of Excellences. These Centres are hosted throughout the continent by member universities, with UCT housing the ARUA Centres of Excellence in Inequalities Research, and Climate and Development, the latter of which conducts interdisciplinary innovative research across a wide range of disciplines and brings together academics, non-governmental organisations, business and government to co-produce and test new insights, evidence and innovations that will help solve Africa's climate and development challenges.

UCT makes an impact in **business and entrepreneurship development** with its leading Graduate Business School (GSB) which is currently ranked number one business school in Africa, and the only business school to feature in the FT global top 100. **The Bertha Centre for Social Innovation and Entrepreneurship** at the GSB is in the top five globally for social impact.

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.

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

The total income of the charity in 2020 was £330,908 (2019: £447,397) and the total expenditure was £440,491 (2019: £550,753) which included £373,074 (2019: £463,398) on the Trust's charitable purposes. A further sum of £11,585 was donated direct to UCT as a result of work done at the UCT Trust. Bearing in mind that the Trust had not been able to benefit from visits by UCT personnel in 2020, and had not been able to hold events, the Trustees were pleased with the level of donations in a difficult year.

Approximately 67% of gifts received in 2020 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.

The remaining 33% of gifts were for undergraduate bursaries and postgraduate fellowships for students from financially and educationally disadvantaged backgrounds.

Included within the above, the financial highlights for 2020 were:

- The Schools Improvement Initiative continues to attract significant funding, including ongoing support for core costs;
- Notable bursary support totalling some £82,070 was donated by, inter alia, the Calleva Foundation, Linklaters LLP, and from individual alumni;
- A major grant was received for the Graduate School of Business;
- Generous support was received for the COVID-19 Emergency Fund;
- UK alumni donated a total of £136,074 (plus a further £11,585 direct to UCT) to various projects, including the COVID appeal, Bursaries, the Law Faculty, the Schools Improvement Initiative, and SHAWCO (the Student Health & Welfare Centres Organisation).

TRUSTEES' ANNUAL REPORT
for the year ended 31 December 2020

FINANCIAL REVIEW (continued)**Financial Results of Activities & Events (continued)**

During 2020, there was a net expenditure of £109,583 (2019: net expenditure of £103,356) and a net decrease in funds after investment gains of £73,260 (2019: a net increase of £9,066). Funds held at year end totalled £1,185,112 (2019: £1,258,372), comprising £153,623 (2019: £271,427) restricted funds; £935,052 (2019: £898,729) endowment funds; and £96,437 (2019: 88,216) unrestricted reserves.

Reserves Policy

As at 31st December 2020, the charity had free reserves held in the General Fund of £95,725 (31st December 2019: £87,030), being the unrestricted funds of £96,337 (2019: £88,116) less the net book value of tangible fixed assets at 31st December 2020 of £712 (2019: £1,085). The funds held as free reserves may be used to support the Trust's operating costs and this is taken into consideration when determining the level of the annual operating grant from UCT which is based on an annual forecast of costs. The charity aims to hold twelve months of operating costs as free reserves. Operating costs for 2020 were £67,790 (2019: £71,738) and the level of free reserves at 31st December 2020 therefore meets this policy.

Investments Policy

Investments are selected by the Board of Trustees after presentation and discussion of the appropriate investment strategy for the Trust. The income arising from the investments is remitted once a year to UCT to fund particular projects. The capital is invested in BlackRock, Stonehage Fleming and CCLA investment funds, and in cash at bank at year end. The performance of the investments is monitored by the Trustees throughout the year.

The investment policy requires that the portfolio shall be managed to produce a real return of 4.5% over the long term. The Trustees focus on the preservation of capital and is Total Return led.

In June 2020, the assets in the BlackRock Charities UK Bond Fund were realised and retained in cash.

On 19th November 2020, the UCT Trust agreed to sell assets held in the BlackRock Charities UK Equity Fund, and subsequently invested the proceeds in the Stonehage Fleming Global Best Ideas Equity Fund, and the CCLA COIF Charities Investment Fund, both of which are oriented to global markets and to economies with stronger growth prospects.

Investment Performance

During 2020, the charity's investments generated income of £8,280 (2019: £14,240). The investments increased in capital value by £36,323 (2019: increase of £112,422) to £935,052. The Total Return on the charity's balanced investment portfolio was 5.03% compared to the FTSE All-Share Total Return of -12.5%. At year end 31.02% of the value of the investments was held in cash.

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, in line with UCT's mission to be an outstanding teaching and research university;
- To facilitate the introduction of the Vice-Chancellor to donors and new potential supporters in the UK, to nurture established sources of support and spread news of UCT strengths and successes to a wider audience;
- To expand and strengthen links to UK based UCT alumni.

**TRUSTEES' ANNUAL REPORT
for the year ended 31 December 2020****FINANCIAL REVIEW (continued)****Future Activities & Events**

During 2021, the 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. In the likely event that UCT personnel will again not be able to travel to the UK for at least the first six months of the year, UCT Trust will use online platforms to keep donors in touch with the Vice-Chancellor, as well as hosting events for alumni and friends. The Trust will also keep UCT alumni engaged and updated via the website and social media channels, and will continue to ensure that donors are kept informed by providing regular and accurate reports. There are plans to distribute two appeals to alumni during the year and a legacy campaign will be rolled out during the first half of the year.

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 for UCT projects, the continued engagement of UK and European based alumni, and an increase in the numbers of alumni who opt to make provision for UCT in their Will.

Impact of the COVID-19 Pandemic

As mentioned above, the COVID-19 pandemic resulted in the cancellation of visits to the UK from the Vice-Chancellor and other UCT personnel, as well as the cancellation of alumni events throughout the year. This without doubt affected the ability of the Trust to fundraise, either through face-to-face contact with major donors or through engagement of alumni as a result of attending events. However, total donation income was not dramatically affected. There was a good response to Emergency Appeals and the Annual Appeal later in the year which focussed on addressing the challenges thrown up by the pandemic. The level of reserves held by the Trust increased due to operating costs being lower than had been anticipated in the 2020 budget forecast.

The Trustees addressed these concerns by, amongst other actions, setting up a sub-committee to consider the financial position and future direction of the Trust in the light in particular of the effects of the COVID-19 crisis.

Given the dynamic nature of the COVID-19 outbreak, it is not practicable to provide a reasonable estimate of its impact on the charity's financial position in the long term; however the Trustees do not believe COVID-19 will impact the charity's ability to continue as a going concern.

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.


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 12th May 2021, and was signed for and on behalf of the board by

X  Chairman
Paul Kumleben

12 May 2021

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

Opinion

We have audited the accounts of The University of Cape Town Trust (the 'charity') for the year ended 31 December 2020 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 31 December 2020 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 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 and accounts 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.

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

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 financial statements

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) and those that relate to data protection (General Data Protection Regulation); and
- ◆ 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;
- ◆ tested journal entries to identify unusual transactions;
- ◆ assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias;
- ◆ tested authorisation controls on expenditure items to check that 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:

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

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


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 financial statements 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 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.

 **Hugh Swainson**
8.6.2021
Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

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

**STATEMENT OF FINANCIAL ACTIVITIES including an income and expenditure account
for the year ended 31 December 2020**

	Notes	Unrestricted funds	Restricted funds	Endowment funds	Total 2020	Total 2019
		£	£	£	£	£
INCOME FROM						
Donations	1	-	246,356	-	246,356	356,010
<i>Charitable activities</i>						
Provision of support for UCT	2	76,000	-	-	76,000	76,000
Investments	3	11	8,541	-	8,552	15,387
TOTAL INCOME		76,011	254,897	-	330,908	447,397
EXPENDITURE ON						
Raising funds	4	67,417	-	-	67,417	87,355
<i>Charitable activities</i>						
Provision of support for UCT	5	373	372,701	-	373,074	463,398
TOTAL EXPENDITURE		67,790	372,701	-	440,491	550,753
NET INCOME/(EXPENDITURE)		8,221	(117,804)	-	(109,583)	(103,356)
TRANSFERS						
Gains on investments	8	-	-	36,323	36,323	112,422
NET MOVEMENT IN FUNDS		8,221	(117,804)	36,323	(73,260)	9,066
RECONCILIATION OF FUNDS						
Fund balances brought forward		88,216	271,427	898,729	1,258,372	1,249,306
FUND BALANCES CARRIED FORWARD AT 31 DECEMBER 2020	11	96,437	153,623	935,052	1,185,112	1,258,372
		=====	=====	=====	=====	=====

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

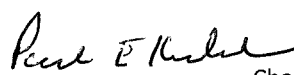
All of the Charity's activities during the years ended 31st December 2020 and 31st December 2019 derived from continuing activities.

Comparative information by fund class is disclosed within the notes to the accounts.

BALANCE SHEET
as at 31 December 2020

	Notes	2020 £	2019 £
FIXED ASSETS			
Tangible assets	7	712	1,085
Investments	8	645,694	750,751
		<u>646,406</u>	<u>751,836</u>
CURRENT ASSETS			
Debtors	9	69,930	169,425
Cash at bank and in hand		478,424	346,146
		<u>548,354</u>	<u>515,571</u>
LIABILITIES			
Creditors: Amounts falling due within one year	10	9,648	9,035
		<u>538,706</u>	<u>506,536</u>
NET CURRENT ASSETS			
		<u>1,185,112</u>	<u>1,258,372</u>
TOTAL ASSETS LESS CURRENT LIABILITIES AND NET ASSETS			
		<u>=====</u>	<u>=====</u>
THE FUNDS OF THE CHARITY			
Endowment funds	11	935,052	898,729
Restricted income funds	11	153,623	271,427
Unrestricted income funds	11	96,337	88,116
Trust Fund capital	11	100	100
		<u>1,185,112</u>	<u>1,258,372</u>
TOTAL CHARITY FUNDS			
	12	<u>1,185,112</u>	<u>1,258,372</u>
		<u>=====</u>	<u>=====</u>

The financial statements on pages 11 to 27 were approved by the trustees and authorised for issue on 12th May 2021, and are signed on their behalf by

X  Chairman
 Paul Kumleben

Date: 12 May, 2021

STATEMENT OF CASH FLOWS
for the year ended 31 December 2020

	Note	2020 £	2019 £
NET CASH USED IN OPERATING ACTIVITIES	13	(17,654)	(92,870)
		<hr/>	<hr/>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest and investment income received		8,552	15,387
Receipts from sales of investments		361,380	49,432
Purchases of investments		(220,000)	(49,432)
Purchase of tangible fixed assets		-	(125)
		<hr/>	<hr/>
NET CASH PROVIDED BY INVESTING ACTIVITIES		149,932	15,262
		<hr/>	<hr/>
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR	14	132,278	(77,608)
Cash and cash equivalents at beginning of year		346,146	423,754
		<hr/>	<hr/>
CASH AND CASH EQUIVALENTS AT END OF YEAR		478,424	346,146
		=====	=====

Financial statements for the year ended 31 December 2020**ACCOUNTING POLICIES**

GENERAL INFORMATION

The University of Cape Town Trust is a United Kingdom charitable trust registered in England and Wales with charitable registration number 803042. The address of the charity's principal place of business is Suite 10, Claremont House, 22-24 Claremont Road, Surbiton, KT6 4QU, UK.

The principal activities and nature of its operations are disclosed in the Trustees Report.

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention except as modified for the annual revaluation of fixed asset investments. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011. The accounts are presented in sterling and rounded to the nearest pound.

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

There are no significant areas of adjustment or key assumptions that affect items in the financial statements.

GOING CONCERN

At the time of approving the financial statements, and in consideration of the recent events surrounding COVID-19, the trustees have a reasonable expectation that the charity will be able to continue as a going concern. In reaching this conclusion, the Trustees have considered the current financial position and available reserves of the charity as well as the financial and cashflow forecasts for the period to 31st December 2022.

INCOME

Income is recognised when the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

General donations and other similar types of voluntary income are 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 has been earned.

Grants from trusts, other agencies and voluntary bodies is accounted for on a receivable basis, when the charity is entitled to the income. Grants are included within donations where the money is given in response to an appeal or application.

EXPENDITURE

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

Expenditure is 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.

Financial statements for the year ended 31 December 2020

ACCOUNTING POLICIES

EXPENDITURE (continued)**Expenditure on raising funds**

Expenditure on raising funds consists of direct fund raising events costs and an apportionment of support costs.

Charitable activities

Expenditure on charitable activities includes grants and an apportionment of support costs.

Allocation of support and governance costs

Support costs have been allocated between governance costs and other support costs. Governance costs 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.

Grants

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.

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.

FINANCIAL INSTRUMENTS

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of listed investments which are subsequently measured at fair value.

Financial statements for the year ended 31 December 2020

ACCOUNTING POLICIES

LEASED ASSETS

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor 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.

CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

There are no significant areas of judgement or key assumptions that affect items in the financial statements. 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, and the level of donations receivable.

The full impact 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, funders, suppliers and the wider economy. Estimates used in the accounts, particularly with respect to the value listed investments are subject to a greater degree of uncertainty and volatility.

As set out in these accounting policies under "going concern", above, 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.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2020

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2020 £	Total 2019 £
1. DONATIONS					
Donations from foundations, trusts and companies	-	142,555	-	142,555	141,495
Donations from individuals:					
Including Gift Aid	-	75,041	-	75,041	159,325
Other	-	28,760	-	28,760	55,190
	-	246,356	-	246,356	356,010
	=====	=====	=====	=====	=====

In 2020, donations totalling £246,356 (2019: £356,010) were received or pledged, of which £246,356 (2019: £356,010) were restricted funds.

	Unrestricted funds	Restricted funds	Endowment funds	Total 2020	Total 2019
2. INCOME GENERATED BY THE PROVISION OF SUPPORT FOR UCT					
Operating grant contributions receivable from the University of Cape Town	76,000	-	-	76,000	76,000
	=====	=====	=====	=====	=====

In 2020, £76,000 (2019: £76,000) was received as income generated by the provision of support for UCT of which £76,000 (2019: £76,000) was unrestricted.

	Unrestricted funds	Restricted funds	Endowment funds	Total 2020	Total 2019
3. INVESTMENT INCOME					
Bank interest receivable on short term cash deposits	11	261	-	272	1,147
Income from investments listed on a recognised stock exchange:					
UK	-	8,280	-	8,280	14,240
	11	8,541	-	8,552	15,387
	=====	=====	=====	=====	=====

In 2020, £8,552 (2019: £15,387) was received from investment income, of which £8,541 (2019: £15,356) was restricted and £11 (2019: £31) was unrestricted. Unrestricted income related solely to bank interest in both years.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2020

	Unrestricted funds	Restricted funds	Endowment funds	Total 2020	Total 2019
4. EXPENDITURE ON RAISING FUNDS					
Direct costs:					
Alumni function costs	-	-	-	-	4,246
Alumni Appeal	2,662	-	-	2,662	2,758
Support and governance costs (see note 6)	64,755	-	-	64,755	80,351
	<u>67,417</u>	<u>-</u>	<u>-</u>	<u>67,417</u>	<u>87,355</u>
	=====				=====

In 2020 the costs of raising funds were £67,417 (2019: £87,355) of which £67,417 (2019: £87,355) was expenditure from unrestricted funds.

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2020 £	Total 2019 £
5. COSTS INCURRED IN THE PROVISION OF SUPPORT FOR UCT					
Direct costs:					
Grants given in support of the University of Cape Town programmes	-	372,701	-	372,701	463,011
Support costs (see note 6)	373	-	-	373	387
	<u>373</u>	<u>372,701</u>	<u>-</u>	<u>373,074</u>	<u>463,398</u>
	=====				=====

In 2020 the costs incurred in provision of support for UCT were £373,074 (2019: £463,398), of which £372,701 (2019: £463,011) was expenditure from restricted funds and £373 (2019: £387) was expenditure from unrestricted funds. Expenditure from unrestricted funds related solely to support costs in both years.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2020

	Costs of generating voluntary income	Costs incurred in provision of support for UCT	Governance costs	Total 2020	Total 2019
	£	£	£	£	£
6. SUPPORT COSTS					
Consultancy and administration	39,653	-	-	39,653	51,013
Travel and accommodation	(878)	-	-	(878)	1,691
Communications and stationery	2,350	-	-	2,350	2,435
Operating lease rentals:					
Land and buildings	8,100	-	-	8,100	8,100
Other office costs	5,992	-	-	5,992	8,112
Auditor's remuneration:					
Audit fees	-	-	9,538	9,538	9,000
Depreciation – owned assets	-	373	-	373	387
	<u>55,217</u>	<u>373</u>	<u>9,538</u>	<u>65,128</u>	<u>80,738</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 2020

7. TANGIBLE ASSETS

	Computers £	Office equipment £	Furniture and fittings £	TOTAL £
Cost:				
1 January 2020	3,545	1,022	1,770	6,337
Disposals	(385)	-	-	(385)
	-	-		
31 December 2020	3,160	1,022	1,770	5,952
Depreciation:				
1 January 2020	2,720	1,022	1,510	5,252
Disposals	(385)	-	-	(385)
Charge for year	331	-	42	373
31 December 2020	2,666	1,022	1,552	5,240
Net book value:				
31 December 2020	494	-	218	712
	=====			=====
31 December 2019	825	-	260	1,085
	=====			=====

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2020

	2020	2019
	£	£
8. INVESTMENTS		
Investments listed on a recognised stock exchange, held primarily to provide an investment return, at market value:		
Market value 1 January 2019	750,751	638,329
Additions	220,000	49,432
Disposal proceeds	(361,380)	(49,432)
Realised (losses)/gains	(18,524)	16,135
Unrealised gains	54,847	96,287
	<u>645,694</u>	<u>750,751</u>
	=====	=====
31 December 2020	645,694	750,751
	=====	=====
At the balance sheet date, the market value of the portfolio comprised:		
UK investments	645,694	750,751
	=====	=====
Unit trust funds and other similar securities	645,694	750,751
	=====	=====
At the balance sheet date, the historical cost of the investments was £495,616 (2019: £509,846).		
Individual holdings representing more than 5% of the market value of the portfolio at the balance sheet date are as follows:		
BlackRock	426,743	750,751
CCLA	109,007	-
Stonehage Fleming	109,944	-
	<u>645,694</u>	<u>750,751</u>
	=====	=====
	2020	2019
	£	£
9. DEBTORS		
Prepayments	5,029	6,650
Accrued income	58,500	153,750
Income tax recoverable	6,401	9,025
	<u>69,930</u>	<u>169,425</u>
	=====	=====

The figure of £58,500 identified above as accrued income represents multi-year pledges made in 2018, 2019 and 2020 which will be due for payment between 2021 and 2023. The figure includes an amount of £21,000 which is subject to specific donor approval, in the light of progress in the projects concerned.

	2020	2019
	£	£
10. CREDITORS		
Amounts falling due within one year:		
Accruals	9,648	9,035
	=====	=====

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2020

11. THE FUNDS OF THE CHARITY

	1 January 2020 £	Income £	Expenditure £	Gains on investments £	Transfers between funds £	31 December 2020 £
Endowment funds (held at BlackRock, Stonehage Fleming, CCLA or in cash):						
Glaxo Chair Fund	673,015	-	-	14,498	-	687,513
Law Faculty Fund	155,538	-	-	14,885	-	170,423
Mibashan Fund	21,446	-	-	2,007	-	23,453
Oates Fund	39,041	-	-	3,670	-	42,711
Andrews Fund	4,206	-	-	439	-	4,645
Kaplan Award	5,483	-	-	824	-	6,307
	<u>898,729</u>	<u>-</u>	<u>-</u>	<u>36,323</u>	<u>-</u>	<u>935,052</u>

	1 January 2019 £	Income £	Expenditure £	Gains on investments £	Transfers between funds £	31 December 2019 £
Endowment funds (held at BlackRock or in cash):						
Glaxo Chair Fund	590,443	-	-	82,572	-	673,015
Law Faculty Fund	135,153	-	-	20,385	-	155,538
Mibashan Fund	18,675	-	-	2,771	-	21,446
Oates Fund	33,994	-	-	5,047	-	39,041
Andrews Fund	3,638	-	-	568	-	4,206
Kaplan Award	4,404	-	-	1,079	-	5,483
	<u>786,307</u>	<u>-</u>	<u>-</u>	<u>112,422</u>	<u>-</u>	<u>898,729</u>

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2020

11. THE FUNDS OF THE CHARITY (Continued)

	1 January 2020 £	Income £	Expenditure £	Gains on investments £	Transfers between funds £	31 December 2020 £
Restricted income funds:						
<i>Undistributed endowment funds income -</i>						
Glaxo Chair Fund	12,702	7,184	11,895	-	-	7,991
Law Faculty Fund	301	902	867	-	-	336
Mibashan Fund	260	128	236	-	-	152
Oates Fund	470	229	425	-	-	274
Andrews Fund	41	19	38	-	-	22
Kaplan Award	392	21	393	-	-	20
ABALOB	40,020	3	40,000	-	-	23
Baxter Theatre	-	4,056	3,694	-	-	362
Bursary Fund	80,609	36,545	66,528	-	(41)	50,585
Child Guidance Clinic	-	1,250	1,000	-	-	250
COVID-19 Emergency	-	19,311	15,808	-	-	3,503
Distinguishing UCT	50,832	2,165	15,013	-	-	37,984
Faculty of EBE	-	3,125	-	-	-	3,125
Faculty of Health Sciences	-	12,500	12,500	-	-	-
Food Security	-	411	-	-	-	411
Future Water Initiative	312	-	313	-	1	-
Graduate Sch of Business	-	43,778	43,772	-	-	6
Julian Baring Sch Fund	219	34,975	34,975	-	-	219
Keswick Prize	1,881	2	-	-	-	1,883
Kopano	63	7,125	7,188	-	-	-
Laptop Project	-	3,500	-	-	-	3,500
Law Faculty Fund	364	19,857	14,050	-	-	6,171
Libraries	-	625	625	-	-	-
N Mandela School	6,836	253	7,089	-	-	-
Opera School	1,856	-	1,875	-	40	21
Perinatal Mental Health	-	389	389	-	-	-
Research Projects	-	45,040	45,040	-	-	-
Residences Fund	20	120	120	-	-	20
Prof Robertson Fund	2,475	-	2,200	-	-	275
Rugby Club	7	75	100	-	-	(18)
Schools Improvement	70,670	6,974	41,578	-	-	36,066
SHAWCO Fund	782	897	1,303	-	-	376
Spirit of 68 Award	28	1,025	1,000	-	-	53
Student Debt Fund	-	2,413	2,400	-	-	13
<i>Interest distributed</i>	287	-	287	-	-	-
	271,427	254,897	372,701	-	-	153,623

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2020

11. THE FUNDS OF THE CHARITY (Continued)

Restricted income funds (Continued):

	1 January 2019 £	Income £	Expenditure £	Gains on investments £	Transfers between funds £	31 December 2019 £
Restricted income funds:						
<i>Undistributed endowment funds income -</i>						
Glaxo Chair Fund	11,832	12,378	11,508	-	-	12,702
Mibashan Fund	232	251	223	-	-	260
Oates Fund	420	452	402	-	-	470
Andrews Fund	37	41	37	-	-	41
Law Faculty Fund	186	1,761	1,646	-	-	301
Kaplan Award	263	393	264	-	-	392
ABALOB	50,016	4	10,000	-	-	40,020
Bursary Fund	101,711	53,601	74,078	-	(625)	80,609
Distinguishing UCT	2,752	101,125	53,045	-	-	50,832
Faculty of EBE	-	37	37	-	-	-
Faculty of Health Sciences	310	-	310	-	-	-
Fitzpatrick Institute	-	5,002	5,000	-	-	2
Future Water Initiative	-	1,250	938	-	-	312
Julian Baring Sch Fund	204	10,410	10,395	-	-	219
Keswick Prize	1,873	8	-	-	-	1,881
Kopano	-	750	687	-	-	63
Law Faculty Fund	1,228	14,868	16,357	-	625	364
M Shuttleworth Schshps	77,549	28	77,500	-	-	77
N Mandela School	125	45,156	38,445	-	-	6,836
Neurosciences	56	-	-	-	-	56
Opera School	3,896	648	2,688	-	-	1,856
Price/Posel PG Schsps	2,346	10,020	12,250	-	-	116
Residences Fund	30	120	130	-	-	20
Prof Robertson Fund	3,469	1,256	2,250	-	-	2,475
Rugby Club	13	75	81	-	-	7
Schools Improvement	104,330	9,278	42,938	-	-	70,670
Science Learning Centre	-	100,036	100,000	-	-	36
SHAWCO Fund	191	1,293	702	-	-	782
Spirit of 68 Award	3	1,125	1,100	-	-	28
	363,072	371,366	463,011	-	-	271,427

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2020

11. THE FUNDS OF THE CHARITY (Continued)

	1 January 2020 £	Income £	Expenditure £	Gains on investments £	Transfers between funds £	31 December 2020 £
Unrestricted income funds:						
General Fund	88,116	76,011	67,790	-	-	96,337
Trust Fund Capital:						
Capital	100	-	-	-	-	100
Total Funds	1,258,372	330,908	440,491	36,323	-	1,185,112
	=====	=====	=====	=====	=====	=====

Trust Fund Capital represents the initial sum invested when the Trust was established

	1 January 2019 £	Income £	Expenditure £	Gains on investments £	Transfers between funds £	31 December 2019 £
Unrestricted income funds:						
General Fund	99,827	76,031	87,742	-	-	88,116
Trust Fund Capital:						
Capital	100	-	-	-	-	100
Total Funds	1,249,306	447,397	550,753	112,422	-	1,258,372
	=====	=====	=====	=====	=====	=====

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 £150,079 (2019: £240,905).

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2020**

11. THE FUNDS OF THE CHARITY (Continued)**Restricted income funds**

ABALOBI: this project helps to scale up sustainable small-scale fisheries using mobile technology.

Baxter Theatre Fund is helping UCT's iconic arts venue as it struggles to survive COVID related closures.

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

Child Guidance Clinic: a postgraduate training centre which provides services to children, adolescents and/or families experiencing problems ranging from scholastic to emotional difficulties.

COVID-19 Emergency Fund: this was established to help UCT cope with the many challenges thrown up by the pandemic.

Distinguishing UCT fund: consists of contributions to the University's endowment fund.

Faculty of EBE: this fund supports projects in the Faculty of Engineering and the Built Environment.

Faculty of Health Sciences: donations to this fund are given to priority projects in the Faculty.

Food Security Programme: ensuring that no student goes hungry.

Future Water Initiative conducts engaged research on water sensitive approaches that sustain society's current and future water needs.

GSB: projects at UCT's Graduate School of Business.

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.

Kopano Fund supports residence costs for disadvantaged students staying in Kopano residence.

Laptop Project helps to provide laptops for disadvantaged students.

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

Libraries fund: supporting projects within the libraries on campus.

Nelson Mandela School of Public Governance: this fund contributes towards the establishment of a new home and identity for the Graduate School of Development Policy & Practice which aims to promote and inspire strategic public leadership in Africa.

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.

Perinatal Mental Health Fund helps to strengthen health and social development systems so that maternal mental health care may be provided to all women who need it.

Research Projects: providing funding for important and relevant research which is being carried out around UCT.

Residences fund contributes towards the capital costs of student residences.

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

Rugby Club fund supports UCT's Rugby Club initiatives.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2020

11. THE FUNDS OF THE CHARITY (Continued)

Restricted income funds (Continued):

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.

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.

Student Debt Relief: assisting those students whose family circumstances have been affected by recent events and who will be unable to settle fee accounts, thus preventing them from progressing into the next year or graduating.

12. ANALYSIS OF NET ASSETS BETWEEN FUNDS

2020	Fixed assets £	Net current assets £	Total £
Endowment funds	645,694	289,358	935,052
Restricted income funds	-	153,623	153,623
Unrestricted income funds	712	95,725	96,437
NET ASSETS	646,406	538,706	1,185,112
	=====	=====	=====
2019	Fixed assets £	Net current assets £	Total £
Endowment funds	750,751	147,978	898,729
Restricted income funds	-	271,427	271,427
Unrestricted income funds	1,085	87,131	88,216
NET ASSETS	751,836	506,536	1,258,372
	=====	=====	=====

13. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020 £	2019 £
Net movement in funds	(73,260)	9,066
Depreciation of tangible fixed assets	373	387
Interest income shown in investing activities	(8,552)	(15,387)
Net (gain)/loss on investments	(36,323)	43,253
Decrease in debtors	99,495	25,805
Increase/(decrease) in creditors	613	(319)
Cash used in operating activities	(17,654)	(92,870)
	=====	=====

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2020

14. ANALYSIS OF CHANGES IN NET DEBT

	1 January 2020 £	Cash Flows £	31 December 2020 £
Cash	346,146	132,278	478,424

	1 January 2019 £	Cash Flows £	31 December 2019 £
Cash	423,754	(77,608)	346,146

15. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2020 the charity had future minimum payments lease payments under non-cancellable operating leases as set out below:

	Land and Buildings 2020 £	Land and Buildings 2019 £
Falling due within one year	6,990	8,100
Falling due between one to five years	-	6,990
	<u>6,990</u>	<u>15,090</u>
	=====	=====

16. 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.

Trustees are deemed related parties to the Charity and as such reporting of donations made directly to the Charity is required. The aggregate amount donated to the Charity this financial year is £14,338 (2019: £12,880).

The trustees were not remunerated for their services during the year (2019: £nil).