

GHAR PARAU FOUNDATION

TREASURER'S REPORT - YEAR ENDING 31.12.14

- 1 Although the accumulated fund grew significantly year-on-year, the interest return actually diminished. This is due to the main increase coming in the latter part of the year, as well as the continued poor rate of return on the Foundation's cash assets. It remains a challenge to derive any meaningful increase in return without material risk to capital.
- 2 During the year, £375 of G.P.F. funding was allocated. Additionally, eight applications for the Alex Pitcher award were funded and £66 was paid in respect of the Tratman award. Against this total, £200 of prior year awards were returned due to postponement and a further £100 was retained due to cancellation.

- 3 Donations were received from the following during the year :-

D Buttle	£	70
I Holmes		120
Gouffre Berger		<u>11000</u>
		11190

The gift aid tax reclaims from 2012/13/14 remain outstanding and will be re-submitted in 2015.

- 4 During the year, £400 was received from the China Caves Project for 2014.
- 5 During the year, £5000 of funding for distribution was received from B.C.A. Of this, £4100 was added to the £600 deferred income from 2013 and the total then allocated to 2014 expeditions. The remaining £900 has been deferred to 2015.
- 6 2014 saw a reduction in the net income from direct fundraising. This has generated a significant surplus over the last few years, but a slight pause has been deemed both desirable and necessary given the resource required to make it happen.
- 7 At the year end, £175 was outstanding against G.P.F. awards (funding retained subject to reporting), along with £700 retained against B.C.A. awards.
- 8 The fund has increased by 18.1% in the year. This reflects the level of donation income plus the continued fundraising efforts. However, current expectations on interest rates mean that the fund growth continues to simply offset interest rate reductions and the net income available for distribution in 2015 is likely to be below the level of the previous year.
- 9 I recommend that funds for distribution should remain at £1200 in 2015. This is likely to mean that a small deficit on interest income would be required, but this could be re-balanced once interest rates rise in due course. Tratman and Pitcher awards should form part of this total. Additionally, £900 of BCA funding remains deferred from 2014. Any further BCA funding should be allocated once confirmed and the same principle applies to any funding which may be forthcoming from the China Caves Project. Donation income will once more be added to the accumulated fund unless specifically targeted for distribution.

10 During the year, no further reinvestments were made. The donations income gives the potential to obtain an improved return in some form of term deposit and I will propose that this avenue is explored with a view to allocating approx £15,000 of the cash balance investment vehicle.

Rates on both the Virgin and NSB deposits have been squeezed during the year. The current cash balance relates partly to retentions and deferred income, with a the majority the result of donation and fundraising income in 2014. As noted above, I propose that the latter elements are utilised to improve the return whilst still keeping risk at a minimum. Any further additional income should be dealt with as arising.

Funds held at year end were as follows :-

Title	Value	Maturity	Interest
National Savings Bonds	28000	N/A	Variable
Virgin Money Charities A/C	39000	N/A	Variable
Total	<u>67000</u>		

The bank balance is £15602

P.N. Ibberson - Treasurer 11/01/15

G HAR PARAU FOUNDATION**ACCOUNTS FOR THE YEAR ENDED 31.12.14****INCOME AND EXPENDITURE ACCOUNT - 12 MONTHS TO 31.12.14**

	<u>2014</u>	<u>2013</u>
INTEREST RECEIVED	963	1191
DONATIONS	11190	2597
HIDDEN EARTH	0	3000
CHINA CAVES PROJECT	400	1550
B.C.A.	4700	5000
FUNDRAISING (NET OF COSTS)	998	3699
TOTAL INCOME	<u>18251</u>	<u>17037</u>
G HAR PARAU FOUNDATION GRANTS	75	650
TRATMAN AWARD	66	60
ALEX PITCHER AWARD	600	375
CHINA CAVES AWARDS	400	1550
B.C.A. AWARDS	4700	5000
TOTAL EXPENDITURE	<u>5841</u>	<u>7635</u>
EXCESS OF INCOME OVER EXPENDITURE	<u>12410</u>	<u>9402</u>

BALANCE SHEET AS AT 31.12.14

	<u>2014</u>	<u>2013</u>
N S B BONDS	28000	28000
VIRGIN MONEY DEPOSIT	39000	39000
INVESTMENTS AT COST	<u>67000</u>	<u>67000</u>
GRANT RETENTIONS	-875	-675
DEFERRED INCOME	-900	-600
CASH AT BANK	15602	2692
TOTAL ASSETS	<u>80827</u>	<u>68417</u>
ACCUMULATED FUND BROUGHT FORWARD	68417	59015
EXCESS/(DEFICIT) OF INCOME OVER EXPENDITURE	12410	9402
ACCUMULATED FUND	<u>80827</u>	<u>68417</u>