

GHAR PARAU FOUNDATION

TREASURER'S REPORT - YEAR ENDING 31.12.15

- 1 Once again, whilst the accumulated fund grew significantly year-on-year, the interest return actually diminished. This is due to much of the increase coming in the latter part of the year, plus the ongoing dilution of returns on total invested assets. It remains problematic to maintain returns, let alone seek increases, without material risk to capital.
- 2 During the year, £825 of G.P.F. funding was allocated. Additionally, five applications for the Alex Pitcher award were funded and £66 was paid in respect of the Tratman award. Against this total, £75 of prior year retentions were written back due to absence of the necessary reporting.

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

Gouffre Berger	£	2500
R Weare		<u>70</u>
		2570
Gift Aid Reclaim		<u>378</u>
		2948

The gift aid tax reclaims from 2015 remains outstanding and will be submitted in due course.

- 4 For 2015 awards, £575 was allocated from China Caves Project funding.
- 5 During the year, £5000 of funding for distribution was received from B.C.A. Of this, £4400 was added to the £900 deferred income from 2014 and the total then allocated to 2015 expeditions. The remaining £600 has been deferred to 2016.
- 6 2015 saw reduced net income from direct fundraising. This has been a significant boost to the accumulated fund over recent years, but continues to require ongoing additional commitment to make it happen.
- 7 At the year end, £425 was outstanding overall against awards (funding retained subject to reporting).
- 8 The fund has increased by 11.7% in the year. This reflects the level of donation income plus the continued fundraising efforts. However, current expectations on interest rates still mean that fund growth merely offsets ongoing interest rate reductions. The net income available for distribution in 2016 is likely to be around the level of the previous year.
- 9 I recommend that funds for distribution should remain at £1200 in 2016. This is likely to mean that a small deficit on interest income would again be required; this could be re-balanced once interest rates rise in due course. Tratman and Pitcher awards should form part of this total. Additionally, £600 of BCA funding remains deferred from 2015. 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.

G HAR PARAU FOUNDATION**ACCOUNTS FOR THE YEAR ENDED 31.12.15****INCOME AND EXPENDITURE ACCOUNT - 12 MONTHS TO 31.12.15**

	<u>2015</u>	<u>2014</u>
INTEREST RECEIVED	857	963
DONATIONS	2948	11190
HIDDEN EARTH	6000	0
CHINA CAVES PROJECT	575	400
B.C.A.	5300	4700
FUNDRAISING (NET OF COSTS)	883	998
TOTAL INCOME	<u>16563</u>	<u>18251</u>
G HAR PARAU FOUNDATION GRANTS	750	75
TRATMAN AWARD	66	66
ALEX PITCHER AWARD	375	600
CHINA CAVES AWARDS	575	400
B.C.A. AWARDS	5300	4700
TOTAL EXPENDITURE	<u>7066</u>	<u>5841</u>
EXCESS OF INCOME OVER EXPENDITURE	<u>9497</u>	<u>12410</u>

BALANCE SHEET AS AT 31.12.15

	<u>2015</u>	<u>2014</u>
N S B BONDS	36000	28000
VIRGIN MONEY DEPOSIT	47000	39000
INVESTMENTS AT COST	<u>83000</u>	<u>67000</u>
GRANT RETENTIONS	-425	-875
DEFERRED INCOME	-600	-900
CASH AT BANK	8349	15602
TOTAL ASSETS	<u>90324</u>	<u>80827</u>
ACCUMULATED FUND BROUGHT FORWARD	80827	68417
EXCESS/(DEFICIT) OF INCOME OVER EXPENDITURE	9497	12410
ACCUMULATED FUND	<u>90324</u>	<u>80827</u>

10 During the year, further reinvestments were made. £8000 was allocated to each of the N.S.B. Income Bonds and the Virgin Charities account. Whilst the interest rates reflect the generally limited level of safe investment returns, the risk profile for other possible investment vehicles remains unacceptable.

The current cash balance relates partly to retentions and deferred income, with the majority the result of donation and fundraising income in 2015. As in prior years, I propose that the latter elements are reinvested to improve the return whilst continuing to minimise risk. 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	36000	N/A	Variable
Virgin Money Charities A/C	47000	N/A	Variable
Total	<u>83000</u>		

The bank balance is £8349

P.N. Ibberson - Treasurer 14/01/16