ST PAUL'S COLLEGE FOUNDATION

ANNUAL REPORT 2015

Investment markets have had a lot to contend with over the year! We've seen the turmoil over Greece's problems, the US Federal Reserve Board's machinations, the 3% devaluation of the Chinese currency, and the continuing unrest in the Middle East, not to mention our own instability in the upper ranks of the government! It is therefore likely that global investment markets and our own will continue to reflect uncertainty and remain volatile.

In view of the continuing unrest any forecast on markets remains speculative. In this environment maintaining a relatively high level of cash and a balance between asset classes seems prudent and that is what we continue to do. At 30 September the fund was valued in excess of $17.7 million slightly less than this time last year (and certainly less than its mid-year value), but that is despite the inroads made earlier in the year by our decision to maintain the increased annual College grant at $550,000 as well as make the special grant of $200,000 (which we noted in our mid-year report) to assist the College to carry out a number of vital measures required for the College to overhaul its Fire Services. The good news is that by year end further donations and tax rebates totalling some $250,000 will have been received, bringing the total value of our fund to nearly $18 million.

Turning to domestic matters, by year end we will have received over $312,000 in donations ($230,000 last year) which looks like a fantastic result, but examined realistically, $200,000 was a one-off special donation towards the costs of the Graduate House and new Undergraduate Wing projects, and a further $93,000 of that was received from just seven major donors; so whilst we depend on those, we continue to be reliant on the large number of our smaller but highly constant donors who will always be our life-blood. We received 124 individual donations (120 last year); we had 9 first-time donors (6 last year) and 2 Paulines became Life Members. Again some 160 students-in-residence donated a total of almost $30,000, an excellent result. So all-in-all we've done very well, but there is no doubt the continuing fall-out from the global financial crisis and the instability of the stock markets here and overseas continues to impact on the availability of discretionary funds to support Foundations such as ours.

As we reported at mid-year, and noted above, the Foundation was able to make a grant of $550,000 to the College out of dividend and interest income, and this coming year there will be more than enough to maintain that amount. Those funds were allocated as to $446,000 for Scholarships, and $104,000 for heritage maintenance projects.

We also reported at mid-year that with heritage architectural advice all rooms and corridors in upper Radford and Blacket have been patched and painted and that the bathrooms in both wings were also upgraded together with those in Arnott. However despite the massive work to overhaul the fire services earlier in the year as mentioned, that was only stage 1 of what is probably a four-year exercise, so a major amount of work in that area is still on the agenda. It is to be hoped the Foundation will not be called upon to assist with paying for it!

And another sobering reminder: College still needs a complete upgrade of the hot water system, but at least the need for new kitchen freezers has been narrowly avoided!

We remind you each year that some years ago the Foundation was able to provide an annual grant to enable College to undertake and complete a long-term lifecycle heritage building restoration and refurbishment program which allowed, amongst other things, for all the heritage stonework (including all the chimneys and some slate roofs) to be brought back to first-class condition. Well some of that very same program has already been started all over again, indeed some emergency work has had to be carried out, and that is just the beginning. Heritage buildings will always need ongoing tender loving care, and as we're told over and over again; the need for many millions of maintenance dollars will never go away!

So there you have it – a pleasing valuation in all the circumstances, a very satisfactory year all things considered, but a sobering look into the future.

As usual we do keenly want many more Paulines to join our ranks in order to take some of the pressure off our stalwarts. We must continue to bear in mind that each year, as College fees must inevitably rise, the cost of providing the Foundation Scholarships rises too, and this slowly but surely decreases the discretionary amount available for heritage maintenance. Our capital fund must continue to grow so that available income grows with it. So how about it!

We look forward to seeing you at the AGM, to give you an up-date on the new building projects and to introduce you to Kim Sanchez our new Director of Advancement.

Lloyd Waddy
Vice Chairman

Robert Albert
Chairman