

YEAR ENDED 31 MARCH 2012

REPORT OF THE TRUSTEES CONTINUED

As well as the above varied fundraising programme, StareheFuture also held two events to thank donors for their invaluable support to date; both events were generously hosted by committed Starehe supporters, as follows:

- ▲ Lord Michael Hastings and KPMG International for a drinks reception at KPMG head office; and
- ▲ Shell UK for hosting a special reception at Shell Centre, marking the formal end of Phase 1 of the Appeal. Starehe UK was privileged and delighted to welcome as guest of honour to this event HM King Constantine, President of the Round Square Association (of which Starehe Boys' Centre is a member), accompanied by HM Queen Anne-Marie.

The Trustees are grateful to Helen Varma, Lisa Robinson and Ashleigh Thompson for their work on the Appeal, which came to an end towards the end of 2011.

Phase 2 of the Appeal – the long-term fundraising phase, which is mainly continuing to add to the endowment fund to support student bursaries - commenced in October 2011, with the employment of the Appeal Coordinator. This post is also responsible for the good stewardship of existing donor relationships, ensuring that regular progress reports and newsletters keep funders up-to-date with the positive impact of their gifts. Starehe UK is indebted to Shell UK for the company's continuing gift-in-kind of office space, and associated expenses, for the Appeal Coordinator during this time.

Investment policy and performance

The Trustees have a policy to maintain investments to ensure that a sufficient level of income is generated to fund the ongoing operational needs of the charity.

Organisational structure

The charity is governed by its Trustees who meet annually, but have appointed an Investment Committee, which meets as necessary. Since November 2011 the Appeal Co-ordinator has been responsible for continuing to cultivate committed and potential donors, and maintain communication with supporters. The volunteer StareheFuture Champions Group, whose help in fundraising was invaluable, has been laid down, and the Appeal is grateful for the time and commitment of Members, led by Sir Peter Walters, devoted to StareheFuture.

Reserves policy

It is the policy of the charity to maintain its free reserves at a level which generates sufficient income to meet the day to day funding needs of the Appeal in the year and to enable the charity to respond to emergency needs which arise from time to time. As the Fund is intended to provide an assured source of income to both schools, it necessarily has substantial investments which are shown in the accounts as unrestricted funds.

Risks

The Trustees have examined the major risks which the charity faces and confirm that systems have been established to enable these risks to be mitigated.

Trustees

The trustees who have served throughout the year are shown on page 1. New trustees are appointed at the discretion of existing trustees.

YEAR ENDED 31 MARCH 2012

REPORT OF THE TRUSTEES CONTINUED

Trustees' Responsibilities

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 incoming resources and application of resources 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 Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 operation.

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.

This report was approved by the Trustees on

5th September 2012



Paul Whitehouse
Chairman

YEAR ENDED 31 MARCH 2012

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF STAREHE UK

I report on the accounts of the charity for the year ended 31 March 2012 which are set out on page 6 to 13.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the general directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- 1 which gives me reasonable cause to believe that, in any material respect, the requirements:
 - to keep accounting records in accordance with section 130 of the 2011 Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Acthave not been met; or
- 2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Bruce Morley - 13 September 2012

Bruce K Morley FCA
TWP Accounting LLP
Chartered Accountants
The Old Rectory
Church Street
Weybridge
Surrey
KT13 8DE

YEAR ENDED 31 MARCH 2012

STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Unrestricted Funds £	Restricted Funds £	2012 Total £	2011 Total £
Incoming Resources					
<u>Incoming resources from generated funds</u>					
Voluntary income	2	78,189	254,644	332,833	398,031
Activities for generating funds	3	1,895	32,077	33,972	59,658
Investment income	4	41,324	-	41,324	38,377
Total Incoming Resources		121,408	286,721	408,129	496,066
Resources Expended					
<u>Cost of generating funds</u>					
Cost of generating voluntary income	5	89,962	-	89,962	157,584
<u>Charitable activities</u>	6	74,381	199,257	273,638	121,899
<u>Governance costs</u>	7	16,578	-	16,578	24,812
Total Resources Expended		180,921	199,257	380,178	304,295
Net Income/(Expenditure) before gains/(losses) and transfers		(59,513)	87,464	27,951	191,771
<u>Gains / (Losses) on investments</u>	9	(15,146)	-	(15,146)	67,042
<u>Transfer In / (Out)</u>		(22,706)	22,706	-	-
Net Movement in Funds for the year		(97,365)	110,170	12,805	258,813
Total funds at 1 April 2011		515,323	1,301,701	1,817,024	1,558,211
Total funds at 31 March 2012		417,958	1,411,871	1,829,829	1,817,024

All activities relate to continuing operations.

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 8 to 13 form part of these financial statements.

BALANCE SHEET AS AT 31 MARCH 2012

	Notes	2012		2011
		£	£	£
FIXED ASSETS				
Investments	9		1,559,514	1,371,306
CURRENT ASSETS				
Debtors	10	1,536		20,800
Cash at bank and in hand		280,497		441,513
CREDITORS: Amounts falling due within one year	11	(11,718)		(16,595)
NET CURRENT ASSETS			270,315	445,718
TOTAL ASSETS LESS CURRENT LIABILITIES			1,829,829	1,817,024
UNRESTRICTED FUNDS				
General funds	12		345,954	394,323
Designated funds	12		72,004	121,000
			417,958	515,323
RESTRICTED FUNDS				
Restricted funds	12		1,411,871	1,301,701
TOTAL FUNDS			1,829,829	1,817,024

The financial statements were approved by the trustees on **5.9.12** and signed on their behalf by:



Paul Whitehouse
Chairman



John Rushton
Treasurer

The notes on pages 8 to 13 form part of these financial statements.

YEAR ENDED 31 MARCH 2012

NOTES TO THE FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES**(a) Basis of preparation**

The financial statements have been prepared under the historic cost convention with the exception that investments are valued at market value. The financial statements have been prepared in accordance with applicable with the accounting standards, the Charities SORP 2005 (Accounting and Reporting by Charities) and comply with the Charities (Accounts and Reports) Regulation 2008 issued under the Charities Act 2011 and the requirements of the Financial Reporting Standard for Smaller Entities (effective April 2008).

(b) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are subject to specific restrictions specified by the donor be it purpose, geographical area, or the specified purpose of an appeal.

(c) Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

(d) Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category.

(e) Investments

Investments are stated at market value at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

(f) Volunteer and other donated services

The value of services provided by volunteers is not incorporated into these financial statements.

(g) Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the Statement of Financial Activities.

2 VOLUNTARY INCOME

	2012 Unrestricted	2012 Restricted	2012 Total £	2011 Total £
Griffin fund	78,189	-	78,189	196,398
Telegraph Christmas Appeal	-	-	-	17,091
Capital projects Starehe Girls' Centre	-	20,875	20,875	83,185
Capital projects Starehe Boys' Centre	-	21,788	21,788	19,855
Bursaries	-	211,981	211,981	78,353
L Lockhart Endowment	-	-	-	2,149
Livery Companies	-	-	-	1,000
	<hr/> 78,189	254,644	332,833	<hr/> 398,031

YEAR ENDED 31 MARCH 2012

NOTES TO THE FINANCIAL STATEMENTS

3 ACTIVITIES FOR GENERATING FUNDS

	2012 Unrestricted £	2012 Restricted £	2012 Total £	2011 Total £
Fundraising activities	1,895	-	1,895	5,470
Sponsorship – Starehe Girls' Centre	-	18,039	18,039	38,703
Sponsorship – Starehe Boys' Centre	-	14,038	14,038	15,485
	<hr/>	<hr/>	<hr/>	<hr/>
	1,895	32,077	33,972	59,658
	<hr/>	<hr/>	<hr/>	<hr/>

4 INVESTMENT INCOME

	2012 Unrestricted £	2012 Restricted £	2012 Total £	2011 Total £
Dividends	40,744	-	40,744	37,116
Interest	580	-	580	1,261
	<hr/>	<hr/>	<hr/>	<hr/>
	41,324	-	41,324	38,377
	<hr/>	<hr/>	<hr/>	<hr/>

5 COSTS OF GENERATING FUNDS

	2012 Unrestricted £	2012 Restricted £	2012 Total £	2011 Total £
Salaries and social security costs	82,479	-	82,479	130,174
Freelance workers	7,042	-	7,042	19,103
Relationship building events	441	-	441	8,307
	<hr/>	<hr/>	<hr/>	<hr/>
	89,962	-	89,962	157,584
	<hr/>	<hr/>	<hr/>	<hr/>

Average number of employees (full time equivalent)

	2012 Number	2011 Number
Governance, fund raising and support	2	3
	<hr/>	<hr/>

No Trustee received any remuneration during the year (2011 - £Nil).

YEAR ENDED 31 MARCH 2012

NOTES TO THE FINANCIAL STATEMENTS

6 CHARITABLE ACTIVITIES

	2012 Unrestricted £	2012 Restricted £	2012 Total £	2011 Total £
Grants to Starehe Boys' Centre				
- Income support	10,289	11,698	21,987	12,418
- Capital projects	-	80,369	80,369	12,748
Grants to Starehe Girls' Centre				
- Income support	64,092	7,224	71,316	28,740
- Capital projects	-	99,966	99,966	67,993
	74,381	199,257	273,638	121,899

7 GOVERNANCE COSTS

	2012 Unrestricted £	2012 Restricted £	2012 Total £	2011 Total £
Travel	4,664	-	4,664	5,750
General office expenditure	7,322	-	7,322	14,929
Independent examiners remuneration	3,000	-	3,000	-
Auditors remuneration (£1,090 - under provision in previous year)	1,090	-	1,090	3,566
Bank charges	502	-	502	567
	16,578	-	16,578	24,812

8 TAXATION

The company is a registered charity and thus is exempt from tax on its results.

9 FIXED ASSET INVESTMENTS

	2012 £	2011 £
Market value as at 1 April 2011	1,371,306	1,242,081
Additions at cost	500,668	154,551
Sales proceeds from disposals	(297,314)	(92,368)
(Decrease)/Increase in market value	(15,146)	67,042
Market value as at 31 March 2012	1,559,514	1,371,306

YEAR ENDED 31 MARCH 2012

NOTES TO THE FINANCIAL STATEMENTS

9 FIXED ASSET INVESTMENTS CONTINUED

Analysis of Investments:

	2012 £	2011 £
Fixed asset investments comprise:		
Market value		
- Fixed interest	357,868	307,539
- Common investment funds	1,126,924	999,977
- Property fund	74,722	63,790
	<hr/> 1,559,514	<hr/> 1,371,306
Historical cost		
- Fixed interest	341,108	293,341
- Common investment funds	1,074,254	987,836
- Property fund	92,781	82,000
	<hr/> 1,508,143	<hr/> 1,363,177
	<hr/> <hr/>	<hr/> <hr/>
10 DEBTORS	2012 £	2011 £
Income tax recoverable	549	19,550
Prepayments and other debtors	987	1,250
	<hr/> 1,536	<hr/> 20,800
	<hr/> <hr/>	<hr/> <hr/>
11 CREDITORS: Amounts falling due within one year	2012 £	2011 £
Payroll taxes	657	4,222
Accruals and other creditors	11,061	12,373
	<hr/> 11,718	<hr/> 16,595
	<hr/> <hr/>	<hr/> <hr/>

YEAR ENDED 31 MARCH 2012

NOTES TO THE FINANCIAL STATEMENTS

12 STATEMENT OF FUNDS

	Brought Forward	Incoming Resources	Resources Expended	Investment Gains / (Losses)	Transfer In / (Out)	Carried Forward
	£	£	£	£	£	£
Unrestricted Funds						
General funds	394,323	121,408	(131,925)	(15,146)	(22,706)	345,954
Designated funds – Infrastructure work	121,000	-	(48,996)	-	-	72,004
	515,323	121,408	(180,921)	(15,146)	(22,706)	417,958
Restricted Funds						
Capital projects – Starehe Girls' Centre	145,254	20,875	(99,966)	-	-	66,163
Capital projects – Starehe Boys' Centre	74,607	21,788	(80,369)	-	-	16,026
Aim High Appeal	865,288	-	-	-	-	865,288
Bursaries	200,202	211,981	-	-	22,706	434,889
Sponsorship – Starehe Girls' Centre	13,273	18,039	(7,224)	-	-	24,088
Sponsorship – Starehe Boys' Centre	3,077	14,038	(11,698)	-	-	5,417
	1,301,701	286,721	(199,257)	-	22,706	1,411,871
Total of funds	1,817,024	408,129	(380,178)	(15,146)	-	1,829,829

A decision was made at the 2011 annual general meeting to transfer £121,000 of unrestricted funds at 1 April 2011 to a designated fund, which is set aside to fund at the Girls' Centre a power upgrade, and the construction of the Kitchen, Dining Room and Laundry Project.

13 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted Funds 2012 £	Unrestricted Funds 2012 £	Total Funds 2012 £	Total Funds 2011
Fixed asset investments	1,411,871	147,643	1,559,514	1,371,306
Current assets	-	282,033	282,033	462,313
Creditors due within one year	-	(11,718)	(11,718)	(16,595)
	1,411,871	417,958	1,829,829	1,817,024

NOTES TO THE FINANCIAL STATEMENTS

14 RELATED PARTY TRANSACTIONS

During the year Lawrence Mbugua, a Trustee, was reimbursed £78 for travel expenses incurred (2011 – £1,335).

During the year Paul Whitehouse, a Trustee, was reimbursed £1,977 for travel expenses incurred (2011 – £1,960).

15 CONTROLLING PARTY

The charity was under the control of the trustees during the year.