

Starehe UK
Report and Unaudited Financial
Statements
31 March 2018

Starehe UK

Reference and administrative details

For the year ended 31 March 2018

Charity number	1158079
Registered office and operational address	c/o The Dulverton Trust 5 St James's Place London SW1A 1NP
Trustees	Trustees who served during the year and up to the date of this report were as follows: Will Cavendish Lord Valentine Cecil Timothy Faithfull Chair David Kisiaky Geraldine McKibbon (from 1 October 2017) Ronald Onyango Keith Price Carole Spencer (until 28 June 2017) Helen Varma Mark Webb Paul Whitehouse
Administrative support	Joanne Knight (Charity Manager) Margaret Shaylor (Accountant)
Bankers	CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Malling ME19 4JQ
Solicitors	Farrer and Co LLP 66 Lincoln's Inn London WC2A 3LH
Investment advisers	Smith & Williamson Portwall Place Portwall Lane Bristol BS1 6NA
Independent examiners	Godfrey Wilson Limited Chartered accountants and statutory auditors 5th Floor, Mariner House 62 Prince Street Bristol BS1 4QD

Starehe UK

Report of the trustees

For the year ended 31 March 2018

The trustees present their report and the examined financial statements for the period ended 31 March 2018.

Reference and administrative information is set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the charity's governing document and the Statement of Recommended Practice - Accounting and Reporting by Charities (effective from January 2015).

Structure, governance and management

The Starehe Endowment Fund (UK) charity (1035323) was formed by Trust Deed on 2 March 1994 and changed its name to Starehe UK (SUK) on 17 July 2008. On 1 April 2015 SUK became a Charitable Incorporated Organisation, with a new registered charity number (1158079) and constitution. SUK's principal aim is to support the Starehe Boys' and Starehe Girls' Centres in Nairobi, Kenya, and is set out under objectives and activities below. The charity is governed by its trustees who meet annually.

Following the end of the successful StareheFuture Appeal in late 2011, SUK has focused on managing the endowment fund, providing annual distributions of income to support specific developments and running costs at the two schools, receiving and forwarding annual individual donations, usually for sponsorship, as well as acting in support of specific projects developed between UK based donors and the Centres.

This requires continual liaison between the schools and existing and potential donors in the UK. Donors and stakeholders are also kept informed about activities at the schools and SUK via SUK's website and electronic newsletters. Part-time administrative support was provided during the year by Joanne Knight as the Charity Manager. This role is self-employed, working the equivalent of 0.2 FTE. The Charity Manager provides the link between the schools, individual sponsored students, and their supporting donors and also supports trustees with the charity governance and book keeping. Accountancy support is provided voluntarily by Margaret Shaylor a few hours each month.

Trustees

The trustees who have served throughout the year are shown on page 1. New trustees are appointed at the discretion of existing trustees. Trustees serve for a fixed term, usually five years, at the end of which they may offer themselves for reappointment for a further period. Details of all trustees and the secretary are available on the SUK website. When SUK was converted to a CIO in 2015, all Trustees were re-appointed for a single term with staggered retirement dates for future continuity.

Tim Faithfull has been Chairman since 1 April 2013 and succeeded Paul Whitehouse. Paul continues as a trustee. He was Founder Chairman of Starehe UK, and its prior UK bodies for over 40 years. As a former volunteer at Starehe, between 1963 and 1964, he worked closely with the Founder of the Starehe Boys' Centre, Dr Geoffrey Griffin. Paul's continuing involvement with the schools and the funding arrangements in the UK provides continuity, substantial experience and judgment to SUK.

Tim Faithfull has been a trustee since 1994, and was chairman of the Management Committee at Starehe Boys' Centre between 1985 and 1989, whilst working in Kenya.

David Kisiaky, an Old Stareheian resident in the UK, was appointed a trustee in 2008, and has been Treasurer since 2012.

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Report of the trustees

For the year ended 31 March 2018

For the period of this report, the secretary to the trustees was Joanne Knight.

Objectives and activities

The purpose of SUK is the furtherance of the education of pupils at both Starehe Boys' Centre (from 1972) and Starehe Girls' Centre (from 2005), schools which provide free secondary education to needy children in Kenya. These exceptional schools provide a home and a first-class education for bright boys and girls from Kenya's most impoverished communities.

Trustees also have discretion to support other similar causes, but to date all funds have been directed to the Starehe schools.

SUK receives income from donors and its own investments, which enables it to further its charitable purpose for the public benefit as follows:

- Providing funds to the schools through a student sponsorship scheme to support the education of poor or orphaned children. Donors are assigned as sponsor for one or more named pupils and receive termly school reports and letters from their sponsored student(s). The schools receive up to £750 per year for each sponsored student which contributes towards the cost of providing a free home and education for children in need. Donors can provide funds either by sponsoring a student through regular donations, or by payment of a lump sum creating an endowed bursary place to be allocated to successive students.
- Providing funds for a designated capital expense such as the purchase of music equipment or the construction of a new building. Projects such as these are initiated when a donor is interested in supporting a specific development at one of the schools.
- Providing general funds to the schools to support the running costs.

The trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing SUK's aims and objectives and planning activities for the year.

Achievements and performance

The academic year in Kenya runs from January to December. Therefore, funds distributed by SUK between 1 April 2017 and 31 March 2018 contribute towards the schools' costs for academic years 2017 and 2018 as detailed below:

Starehe Girls' Centre

- SUK contributed £21,342 towards 31 named places for girls from deprived backgrounds to live and study at Starehe Girls' Centre during the academic year of 2018. 23 of these students were funded via endowed places, and 8 by regular payments. As well as giving these students a first class education, the school provides a safe home for girls during term time and school holidays if required.
- SUK provided £6,643 as the final payment for the construction of a Physics Lab and developments to the Health Centre at Starehe Girls' Centre. The project has been generously funded by Independent Franchise Partners at a total cost of £103,994 paid over the last 3 years. The building was officially opened in Summer 2017.
- SUK contributed £6,750 towards the general running costs of the school for the academic year of 2018, helping to support the education of 558 students throughout the year, 419 of whom are from a deprived background.
- SUK contributed £6,000, kindly donated by Sir Mark Moody-Stuart, towards a solar energy project to reduce the school's electricity costs
- SUK provided £1,238 for the purchase of new music equipment.

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Report of the trustees

For the year ended 31 March 2018

Starehe Boys' Centre

- SUK contributed £14,072 towards 20 sponsored places for boys from deprived backgrounds to live and study at Starehe Boys' Centre during the academic year of 2017. 17 of these students were funded via endowed places, and 3 by regular payments.
- SUK contributed £32,250 towards the general running costs of the school for the academic year of 2018, helping to support the education of 1,024 students throughout the year, 717 of whom are from a deprived background.

It has recently become evident the Starehe Boys' Centre is facing a significant gap in its funding. In April 2018, the Management Committee of the Centre appointed the former Chairman of the Old Stareheians' Society as Acting Director of the Centre, to lead the school, and to devise solutions to the main challenges it faces. SUK is in close contact with the Acting Director and the Chairman of the Management Committee, and is being kept informed of developments

Starehe UK

During the year ended 31 March 2018, the charity's total incoming resources were £131,530, of which £29,546 was from donations and grants of various types, £13,938 from fundraising activities, and £88,046 from growth and income from investments.

Overall between 1 April 2017 and 31 March 2018, SUK disbursed £88,294 to the two schools as follows:

- £12,643 for funds restricted to capital projects specified by donors;
- £6,651* from regular donations by donors sponsoring students; and
- £69,000* from the yield on the funds raised by the Aim High and Starehe Future Appeals, including donations for bursary endowments for student places (restricted) or for general support (unrestricted).

* Funds distributed for the sponsored student places, endowed bursary places and general running costs have provided contributions to the schools across the academic year 1 January 2018 to 31 December 2018.

During the year a payment of £5,360, kindly donated by the DFCU Bank of Uganda, was made to the Griffin Memorial Endowment Trust (GMET). GMET is a trust fund managed by the Old Starehian Society in Kenya to provide resources to the schools.

SUK is indebted to a number of individuals and organisations for their fundraising support in the year, including:

- Independent Franchise Partners for sponsoring students and funding the construction of a Physics Lab and developments to the Health Centre at Starehe Girls' Centre;
- Next PLC for choosing SUK as the beneficiary of the April 2017 'bouquet of the month' by Next Flowers, whereby SUK received 10% of the cost of each charity flower bouquet sold during the month which amounted to £8,937. Next PLC also made a general donation of £5,000 during the year;
- Sir Mark Moody Stuart for funding the solar energy project at the Starehe Girls' Centre;
- Individual donors who all agreed to commit to sponsoring new Form 1 students for 4 years;
- Lockhart Family, Rushton Family, St Mary's Church Lasham, Westfield School, Britten Family, Guy Family and Mr Anderson for sponsoring students at Starehe Girls' Centre; and
- Rushton Family, Lockhart Family and Mr Kariuki for sponsoring students at Starehe Boys' Centre.

We are sincerely thankful to all the individuals, schools, colleges and organisations that support students through sponsorships and regular donations.

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Report of the trustees

For the year ended 31 March 2018

SUK continues to be indebted to Shell UK for the company's ongoing and very generous gift-in-kind of office space, and associated expenses, for the Charity Manager role.

Financial review

Sources of funding

The charity's investment funds have been secured through two major appeals in the UK. Aim High Appeal (1996-98) raised funds for the Starehe Boys' Centre only, as Starehe Girls' Centre did not open until 2005. The StareheFuture Appeal (2008-11) raised funds for both the Starehe Boys' Centre and the Starehe Girls' Centre. Donations from both appeals funded endowed or sponsored student places, capital projects or general donations. Donations which were pledged for endowed or sponsored student places or capital projects were treated as restricted. Where donors did not place any restriction on their pledges, these funds were invested to provide future unrestricted investment income.

In addition to the past appeals, SUK receives regular ongoing donations from individuals and organisations. These donations are either restricted for student sponsorship or a specific development project, or gifted as an unrestricted contribution towards general funds.

All restricted donations or income from restricted endowed funds are passed directly to the schools. The amount of unrestricted income passed to the schools towards their general running costs is at the trustees' discretion, taking into account the funds needed to cover the administration and governance costs of SUK. In 2017/18, funds for the schools' general running costs were allocated in the ratio 65:35 to Starehe Boys' Centre and Starehe Girls' Centre respectively. This ratio reflects the different size of the schools and their needs.

Financial position

There was a net surplus for the year of £8,861. After accounting for the loss on investments of £14,482 arising from the revaluation of investments held at 31 March 2018 to market value, the total net decrease in the funds for the year is £5,621.

Investment policy

The trustees have established an investment policy, which is agreed with the fund manager. The overall aim is to produce the optimum total return from the investment portfolio with the aim of generating a relatively high level of income whilst maintaining the real value of the assets over the long term. The primary investment objective is to achieve an annual return equivalent to the Retail Price Index (RPI) plus 3.75%, net of fees, over a five year rolling period. A composite index is also used to assess performance in the context of wider market conditions.

Investment performance

The value of SUK's investments at the end of March 2018 was £2,069,693 (£2,096,341 including cash balances).

The return generated over the financial year to the end of March was 3.5%. Over the same timeframe, the composite benchmark rose by 2.2%. The long term objective, Retail Price Index (RPI) +3.75%, implied a return of 7.5%.

The portfolio generated an income of £88,032, which compares to the income target set of £75,000.

Starehe UK

Report of the trustees

For the year ended 31 March 2018

The direct equity portion of the SUK investment portfolio is orientated towards robust, cash-generative companies which benefit from strong market-leading positions in multiple markets. Such companies should continue to prosper, and are able to provide investors with sustainable and growing dividend payments – key for SUK's objectives. The overseas equity element of the portfolio is primarily maintained through collectives, in order to ensure a good level of diversification. The remainder of the portfolio is invested in a combination of corporate and index linked bonds, commercial property and infrastructure assets, in order to enhance the capital stability of the overall portfolio and contribute to the income required.

The return generated over the year was impacted in the final quarter by weakness in equity markets around the world, albeit after a strong 2017. This recent adjustment reflects concerns about the pace of interest rate increases in the United States coupled with heightened geo-political risk and fears over a potential global trade war. Smith & Williamson remain of the view that interest rates on both sides of the Atlantic will peak at unusually low levels. Moreover, fundamentals for listed companies remain encouraging and valuations are not excessive. As such, the managers expect markets to find support as the current year progresses.

Reserves policy

It is the policy of the charity to maintain its free reserves at a level which generates sufficient income to enable it to meet annual funding requirements agreed with the two schools, and 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.

Risks

The trustees have examined the major risks which the charity faces and confirm that processes are in operation to enable these risks to be mitigated:

- Funds are managed by a reputable manager, with whom the trustees have agreed an investment policy with clear parameters for risk exposure, asset allocation, and income levels;
- Strict controls are applied to operation of bank accounts; and
- Regular communication takes place with the two schools on the deployment of funds.

Safeguarding

The trustees have undertaken reasonable investigations to be satisfied that both the Starehe Boys' Centre and Starehe Girls' Centre give sufficient importance to safeguarding with the relevant policies and procedures in place.

Plans for the future

SUK aims to continue to provide both annual income and capital development support, as agreed with the schools, whilst maintaining the capital value of the endowment in the medium term. A new SUK website to improve communication with stakeholders and donors will be launched in 2018.

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Report of the trustees

For the year ended 31 March 2018

Statement of responsibilities of the trustees

The trustees are required to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and the incoming resources and application of resources, including the net income or expenditure, of the charity for the year. In preparing those financial statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- observe the methods and principles in the applicable charities SORP;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Charities Act 2011 and the applicable Charities (Accounts and Reports) Regulations. The trustees 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 confirm that to the best of their knowledge there is no information relevant to the independent examination of which the examiner is unaware. The trustees also confirm that they have taken all necessary steps to ensure that they themselves are aware of all relevant information and that this information has been communicated to the examiners.

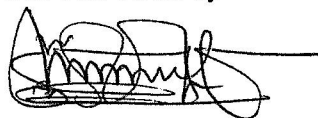
Independent examiners

Alison Godfrey of Godfrey Wilson Limited was re-appointed as the charity's independent examiner during the year and has expressed her willingness to continue in that capacity.

Approved by the trustees on 28 June 2018 and signed on their behalf by



Timothy Faithfull - Chairman



David Kisiaky - Treasurer

Independent examiner's report

To the members of

Starehe UK

I report to the trustees on my examination of the accounts of Starehe UK (the CIO) for the year ended 31 March 2018, which are set out on pages 9 to 19.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the CIO's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- (1) accounting records were not kept in respect of the CIO as required by section 130 of the Act; or
- (2) the accounts do not accord with those records; or
- (3) the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Date: 26 July 2018

Alison Godfrey FCA
Member of the ICAEW
For and on behalf of:

GODFREY WILSON LIMITED
Chartered accountants and statutory auditors
5th Floor, Mariner House
62 Prince Street
Bristol
BS1 4QD

Starehe UK

Statement of financial activities

For the year ended 31 March 2018

	Note	Restricted £	Unrestricted £	2018 Total £	2017 Total £
Income from:					
Donations - general	3	-	8,747	8,747	12,811
Charitable activities	4	20,799	-	20,799	104,689
Other trading activities	5	-	13,938	13,938	7,116
Investments		-	88,046	88,046	87,045
Total income		20,799	110,731	131,530	211,661
Expenditure on:					
Raising funds		-	23,487	23,487	24,943
Charitable activities		19,294	79,888	99,182	288,367
Total expenditure	6	19,294	103,375	122,669	313,310
Net gains / (losses) on investments		-	(14,482)	(14,482)	194,044
Net income and net movement in funds	8	1,505	(7,126)	(5,621)	92,395
Reconciliation of funds:					
Total funds brought forward		<u>1,461,887</u>	<u>667,550</u>	2,129,437	2,037,042
Total funds carried forward		<u>1,463,392</u>	<u>660,424</u>	2,123,816	<u>2,129,437</u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 16 to the accounts.

Income in 2017 is significantly higher than that in 2018, due to a significant one off donation in 2017 for a capital project at the Starehe Girls' Centre as detailed on page 3.


Starehe UK

Balance sheet

As at 31 March 2018

	Note	£	2018 £	2017 £
Fixed assets				
Investments	11		<u>2,069,693</u>	<u>2,088,775</u>
			2,069,693	2,088,775
Current assets				
Debtors	12	1,948		899
Cash at bank and in hand		<u>60,928</u>		<u>53,728</u>
		62,876		54,627
Liabilities				
Creditors: amounts falling due within 1 year	13	<u>8,753</u>		<u>13,965</u>
Net current assets			<u>54,123</u>	<u>40,662</u>
Net assets	14		<u><u>2,123,816</u></u>	<u><u>2,129,437</u></u>
Funds	16			
Restricted funds			1,463,392	1,461,887
Unrestricted funds:				
General funds			<u>660,424</u>	<u>667,550</u>
Total charity funds			<u><u>2,123,816</u></u>	<u><u>2,129,437</u></u>

Approved by the trustees on 28 June 2018 and signed on their behalf by


Timothy Faithfull - Chairman


David Kisiaky - Treasurer

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Statement of cash flows

For the year ended 31 March 2018

	2018 £	2017 £
Cash used in operating activities:		
Net movement in funds	(5,621)	2,037,042
<i>Adjustments for:</i>		
(Gains) / losses on investments	14,482	96,926
Dividends, interest and rents from investments	(88,046)	(66,694)
Transfer of funds from Starehe UK	-	(1,890,530)
Decrease / (increase) in debtors	(1,049)	(494)
Increase / (decrease) in creditors	(5,212)	25,246
Net cash provided by operating activities	(85,446)	201,496
Cash flows from investing activities:		
Dividends, interest and rents from investments	88,046	66,694
Proceeds from the sale of investments	514,624	1,812,965
Purchase of investments	(510,252)	(1,923,715)
Equalisation	228	4,785
Net cash provided (used in) investing activities	92,646	(39,271)
Increase / (decrease) in cash and cash equivalents in the year	7,200	162,225
Cash and cash equivalents at the beginning of the year	162,225	-
Cash and cash equivalents at the end of the year	169,425	162,225

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Notes to the financial statements

For the year ended 31 March 2018

1. Accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities in preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Starehe UK meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

b) Going concern basis of accounting

The accounts have been prepared on the assumption that the charity is able to continue as a going concern, which the trustees consider appropriate having regard to the current level of unrestricted reserves. There are no material uncertainties about the charity's ability to continue as a going concern.

c) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

d) Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item, is probable and the economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

e) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity: this is normally upon notification of the interest paid or payable by the bank.

1. Accounting policies (continued)

f) Funds accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

g) Expenditure and irrecoverable VAT

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.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

h) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities on the following basis:

Charitable activities	80%
Raising funds	20%

i) Investments

Listed investments held at the year end are valued at the current market value at that date. Investment income from dividends is included in incoming resources while realised and unrealised losses and gains on investments are shown separately on the statement of financial activities (SOFA). Realised gains and losses are calculated on investment disposals during the year as the difference between the opening market value and the proceeds received on sale. Unrealised gains and losses are calculated on investment holdings at the year end as the difference between the closing market value and the opening market value or purchase value during the year.

j) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

k) Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

l) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

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Notes to the financial statements

For the year ended 31 March 2018

1. Accounting policies (continued)

m) Financial instruments

The trust 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 bank loans which are subsequently recognised at amortised cost using the effective interest method.

n) Grants payable

Grants payable are charged in the year in which the offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attached have been fulfilled. Grants offered subject to conditions at the year end are noted as commitment but are not accrued as expenditure.

2. Statement of financial activities - prior period comparatives

	Restricted £	Unrestricted £	2017 Total £
Income from:			
Donations - general	-	12,811	12,811
Charitable activities	104,689	-	104,689
Other trading activities	-	7,116	7,116
Investments	-	87,045	87,045
Total income	104,689	106,972	211,661
Expenditure on:			
Raising funds	-	24,943	24,943
Charitable activities	148,482	139,885	288,367
Total expenditure	148,482	164,828	313,310
Net gains / (losses) on investments	-	194,044	194,044
Net income and net movement in funds	(43,793)	136,188	92,395

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Notes to the financial statements

For the year ended 31 March 2018

3. Donations - general

	Restricted	Unrestricted	2018 Total	2017 Total
Individual Donations With Gift Aid	-	4,931	4,931	5,730
Individual Donations Without Gift Aid	-	1,094	1,094	1,248
Gift in kind*	-	2,722	2,722	5,833
	<u>-</u>	<u>8,747</u>	<u>8,747</u>	<u>12,811</u>

* Gifts in kind are represented by:

Office space (Shell)	-	2,525	2,525	5,833
Trustee expenses	-	197	197	-
	<u>-</u>	<u>2,722</u>	<u>2,722</u>	<u>5,833</u>

4. Charitable activities

	Restricted £	Unrestricted £	2018 Total £	2017 Total £
Bursaries - Gift Aid	125	-	125	125
Capital Projects - SGC - Gift Aid	600	-	600	637
Capital Projects - SGC - Non Gift Aid	12,643	-	12,643	69,073
Sponsorships - SBC - Gift Aid	1,375	-	1,375	1,187
Sponsorships - SBC - Non Gift Aid	484	-	484	415
Sponsorships - SGC - Gift Aid	3,910	-	3,910	4,909
Sponsorships - SGC - Non Gift Aid	1,662	-	1,662	28,343
Total charitable activities	<u>20,799</u>	<u>-</u>	<u>20,799</u>	<u>104,689</u>

5. Other trading activities

	Restricted £	Unrestricted £	2018 Total £	2017 Total £
Fundraising activities	<u>-</u>	<u>13,938</u>	<u>13,938</u>	<u>7,116</u>

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Notes to the financial statements

For the year ended 31 March 2018

6. Total expenditure

	Raising funds £	Charitable activities £	Support and governance costs £	Total 2018 £	Total 2017 £
Grants payable to partners (note 7)	-	88,294	-	88,294	271,482
Freelance workers	1,625	1,625	4,875	8,125	12,325
Travel and subsistence	-	-	219	219	-
General office expenditure	-	-	1,560	1,560	2,972
Rent (gift in kind)	505	505	1,515	2,525	5,833
Bank charges	141	-	-	141	184
Investment charges	19,027	-	-	19,027	17,814
Accountancy and professional fees	-	-	2,778	2,778	2,700
Sub-total	21,298	90,424	10,947	122,669	313,310
Allocation of support and governance costs	2,189	8,758	(10,947)	-	-
Total expenditure	23,487	99,182	-	122,669	313,310

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Notes to the financial statements

For the year ended 31 March 2018

7. Grants payable

	2018 £	2017 £
Grant to Starehe Boys' Centre	46,322	84,503
Grant to Starehe Girls' Centre	41,972	186,979
Total	<u>88,294</u>	<u>271,482</u>

All grants were to institutions and were in support of pupil places and capital projects.

8. Net movement in funds

This is stated after charging:

	2018 £	2017 £
Trustees' remuneration	Nil	Nil
Trustees' reimbursed expenses	57	Nil
Independent examiner's fees	<u>2,778</u>	<u>2,700</u>

One trustee was reimbursed £57 in respect of travel expenses (2017: £nil).

9. Key management personnel

The key management personnel of the CIO comprise the trustees and the Charity Manager who is engaged on a freelance basis. Key management personnel received no employee benefits during the year. The Charity Manager was paid fees of £8,125 (2017: £12,325) during the year.

10. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

11. Listed investments

	2018 £	2017 £
Market value at 1 April 2017	2,088,775	1,899,569
Additions	510,252	441,068
Disposals proceeds	(514,624)	(444,945)
Equalisations	(228)	(961)
Realised gains / (losses)	25,107	8,722
Unrealised gains / (losses)	<u>(39,589)</u>	<u>185,322</u>
Market value at 31 March 2018	<u>2,069,693</u>	<u>2,088,775</u>
Historical cost:		
At 31 March 2018	<u>1,945,725</u>	<u>1,827,138</u>

Starehe UK

Notes to the financial statements

For the year ended 31 March 2018

12. Debtors

	2018 £	2017 £
Accrued income	1,948	405
Prepayments	<u>-</u>	<u>494</u>
	<u>1,948</u>	<u>899</u>

13. Creditors : amounts due within 1 year

	2018 £	2017 £
Trade creditors	1,500	1,407
Accruals	7,253	7,198
Sundry creditors	<u>-</u>	<u>5,360</u>
	<u>8,753</u>	<u>13,965</u>

14. Analysis of net assets between funds

	Restricted funds £	Unrestricted funds £	Total funds £
Investments	1,463,392	606,301	2,069,693
Current assets	-	62,876	62,876
Current liabilities	<u>-</u>	<u>(8,753)</u>	<u>(8,753)</u>
Net assets at 31 March 2018	<u>1,463,392</u>	<u>660,424</u>	<u>2,123,816</u>

	Restricted funds £	Unrestricted funds £	Total funds £
Prior year comparatives			
Investments	1,461,887	626,888	2,088,775
Current assets	-	54,627	54,627
Current liabilities	<u>-</u>	<u>(13,965)</u>	<u>(13,965)</u>
Net assets at 31 March 2017	<u>1,461,887</u>	<u>667,550</u>	<u>2,129,437</u>

15. Related party transactions

Other than the trustees' reimbursed expenses disclosed in note 7, there were no related party transactions during the current or prior year.

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Notes to the financial statements

For the year ended 31 March 2018

16. Movements in funds

	At 1 April 2017 £	Income £	Expenditure £	Investment gains/(losses) £	At 31 March 2018 £
Restricted funds					
Capital Projects - Girls' Centre	-	13,243	(12,643)	-	600
Capital Projects - Boys' Centre	1,250	-	-	-	1,250
Aim High Appeal	865,288	-	-	-	865,288
Bursaries - Future Appeal	574,737	125	-	-	574,862
Sponsorship - Girls' Centre	20,612	5,571	(5,329)	-	20,854
Sponsorship - Boys' Centre	-	1,860	(1,322)	-	538
Total restricted funds	1,461,887	20,799	(19,294)	-	1,463,392
Unrestricted funds					
General funds	667,550	110,731	(103,375)	(14,482)	660,424
Total unrestricted funds	667,550	110,731	(103,375)	(14,482)	660,424
Total funds	2,129,437	131,530	(122,669)	(14,482)	2,123,816

Starehe UK

Notes to the financial statements

For the year ended 31 March 2018

16. Movements in funds (continued)

Prior year comparatives	At 1 April 2016 £	Income £	Expenditure £	Investment gains/(losses) £	At 31 March 2017 £
Restricted funds					
Capital Projects - Girls' Centre	23,392	69,711	(93,103)	-	-
Capital Projects - Boys' Centre	1,250	-	-	-	1,250
Aim High Appeal	865,288	-	-	-	865,288
Bursaries - Future Appeal	574,612	125	-	-	574,737
Sponsorship - Girls' Centre	40,738	33,251	(53,377)	-	20,612
Sponsorship - Boys' Centre	400	1,602	(2,002)	-	-
Total restricted funds	1,505,680	104,689	(148,482)	-	1,461,887
Unrestricted funds					
General funds	531,362	106,972	(164,828)	194,044	667,550
Total unrestricted funds	531,362	106,972	(164,828)	194,044	667,550
Total funds	2,037,042	211,661	(313,310)	194,044	2,129,437

16. Movements in funds (continued)

Purpose of restricted funds

Capital Projects - Starehe Girls' Centre	To fund infrastructure projects at Starehe Girls' Centre.
Capital Projects - Boys' Centre	To fund infrastructure projects at Starehe Boys' Centre.
Aim High Appeal (1996-98)	To raise funds for the Starehe Boys' Centre (the Starehe Girls' Centre did not open until 2005). Donations from the Aim High Appeal were for endowed or sponsored student places, or general donations.
StareheFuture Appeal (2008-11)	<p>To raise funds for both Starehe Boys' and Girls' Centre. Donations from the StareheFuture Appeal were for endowed or sponsored student places, capital projects or general donations.</p> <p>Funds from both appeals were either invested or passed directly to the relevant school for sponsorship or a capital project. Returns on the invested donations are used to fund the endowed places at Starehe Boys' Centre and Starehe Girls' Centre.</p>
Sponsorship - Starehe Girls' Centre	To fund sponsored places at Starehe Girls' Centre.
Sponsorship - Starehe Boys' Centre	To fund sponsored places at Starehe Boys' Centre.