

STARFISH ASIA

REPORT AND ACCOUNTS

for the year ended 31 March 2014

Charity no: 1099672

STARFISH ASIA

REFERENCE & ADMINISTRATIVE INFORMATION

31 March 2014

PRINCIPAL OFFICE	32, Beck Lane Beckenham Kent BR3 4RE
REGISTERED CHARITY NO.	1099672
GOVERNING DOCUMENT	Declaration of Trust dated 2 June 2003 Supplemental deed dated 1 September 2003
TRUSTEES	Michael Wakely            Executive Trustee Hugh Osgood Juliet Woodman David Wright            Chairman Geoff Larcombe Marjorie Murphy        appointed February 2014
BANKERS	HSBC Bank 219, High Street Penge London SE20 7PP
INDEPENDENT EXAMINER	Nigel Hewson FCA DChA Hewsons Chartered Accountants & Registered Auditors 80, Woodhurst Avenue Petts Wood Orpington Kent BR5 1AT

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## **THE YEAR ENDED TRUSTEES' REPORT FOR 31 MARCH 2014**

The Trustees have pleasure in submitting their Report for 2013/14

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

Starfish Asia is a registered charity established by charitable trust in 2003 by Michael and Kerstin Wakely who, after serving in charitable work for many years in South Asia, developed a vision for providing education for the children of the poor in Pakistan. The charity does not have funds of its own and depends on the generosity of people to provide the funds needed to finance the work in response to its fund raising activities.

The objectives of the Trust are: The relief of poverty, sickness and distress, the advancement of education and the advancement of the Christian faith in Pakistan and other countries of South Asia.

New trustees are appointed by the existing trustees and serve for 4 years after which they may put themselves forward for re-appointment. The induction and training of new trustees into the work of the charity and into their duties and responsibilities as trustees is undertaken by Mr Wakely and the Chairman of the Trust. The trust deed provides for a minimum of 3 trustees.

A list of trustees is provided on page 1. There has been one change during the year with the appointment of Ms Marjorie Murphy to the Board in February.

Future succession plans have been a major feature of Board discussions during the year. It is therefore with great appreciation and anticipation that the Board has appointed Mr Ian and Mrs Fiona Anderson to join the administration team of Starfish Asia, commencing in September 2014. Ian and Fiona are experienced teachers and are leaving their positions in St. Lawrence College, Ramsgate, to join Starfish Asia as Executive Officer and Communications Officer.

The trustees meet about four times each year. They agree the broad strategy and areas of activity of the charity, including consideration of grant making, reserve and risk policies and performance. They receive regular reports of visits to supported schools by the Executive Trustee and by others who have visited the projects in Pakistan. All of the trustees give of their time freely and no trustee remuneration was paid in the year. Details of trustee expenses and related party transactions are disclosed in Note 9 to the accounts.

The trustees re-elected Nigel Hewson FCA DChA of Hewsons, Chartered Accountants of Orpington to act as Independent Examiner.

### **REVIEW OF ACTIVITIES**

The Executive Trustee's Report on pages 5 to 8 sets out the significant activities, changes and developments which this year have been very considerable.

### **GRANT MAKING POLICY**

The selection of beneficiaries is carried out by the Board of Starfish Pakistan, an independent registered Trust in Pakistan whose trustees are respected members of the Pakistan Christian community, working in close consultation with its Director, Mr Anser Javed.

The Executive Trustee is normally invited to attend its Board meetings whilst in Pakistan reviewing projects. Starfish Pakistan is also responsible for the distribution of the bulk of the grants to the supported schools. While most grants are paid to schools and other institutions run by trusted Pakistani Christian leaders, the sole criteria is that the selected schools support only the poorest in the community irrespective of their religious affiliation. There is constant and regular interaction between Starfish Pakistan and Starfish Asia, especially in regard to the disbursement of restricted funding made to approved projects and the selection of new projects applying for funding support.

## **RISK MANAGEMENT**

The most significant operational risk concerns the selection of beneficiaries and the distribution of grants within Pakistan. The trustees consider that the arrangements made with the trustees of Starfish Pakistan are sufficient to ensure that grants are made only to those schools which meet the criteria of providing basic education and care in a Christian context to the poorest in society.

While the charity does not make any unconditional grant commitments, every attempt is made to grant to each supported school a monthly amount which meets an agreed proportion of its costs. To achieve this, the charity stresses in all of its literature the need for regular committed giving by its own supporters and the trustees are provided with detailed monthly management accounts which report progress and performance.

## **RESERVES POLICY**

Starfish Asia seeks to maintain a minimum of £30,000 in liquid funds in order to meet urgent and stressful situations as they arise overseas. This level of funding reserves was maintained throughout the year. This amount will be raised to £50,000 in the current financial year.

## **OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT**

Universal free primary education has long been a tenet of the educational system in the United Kingdom but this is not the case in Pakistan where a high proportion of the poorest, especially among minority communities, have no realistic access to education. Starfish Asia seeks to serve those communities which for social or cultural reasons are not able to access public social or educational facilities. The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing their aims and objectives and in planning the future activities of the charity. In particular the trustees consider how planned activities will contribute to the aims and objectives they have set.

## **FINANCIAL REVIEW**

The Statement of Financial Activities and the Balance Sheet are included at pages 10 and 11. Gifts to the charity reversed the trend of the two previous years and increased from £377k to £444k or 18%, allowing grants to be increased by almost £100k at £401k. It is encouraging that Starfish Pakistan, with whom the trustees work closely, has received increased support from donors in Singapore and we are pleased to report that operating costs in Pakistan have reduced which means more funds sent to Pakistan can be directly applied in support of the work of schools supported.

Operating costs incurred in the UK were at the very modest level of 4%. Cash balances at the year-end increased slightly to £91k and are at a safe level, consistent with the imperative not to hold back funds while the needs in Pakistan are so overwhelming.

## **FUTURE PLANS**

Again this year we find that there are a number of other schools that are worthy of support from Starfish Asia and if funds permit we hope to begin to provide at least partial support to several more schools and to increase the level of support to others particularly in the light of Pakistan's rampant inflation and the current inadequate level of teachers' salaries in most private schools. Much more is written about this in the Report of the Executive Trustee on page 5.

## **STATEMENT OF TRUSTEE RESPONSIBILITIES**

The trustees are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards. The law applicable to charities in England and Wales requires the trustees to prepare accounts 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 year. In preparing those accounts the trustees are required to:

- a) select suitable accounting policies and then apply them consistently;
- b) observe the methods and principles in the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005;
- c) make judgements and estimates that are reasonable and prudent;
- d) state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts, and
- e) prepare the accounts on a going concern basis unless it is inappropriate to assume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts 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.

Approved by the Board of Trustees on: 10 December 2014 and signed on its behalf by:

**Hugh Osgood**  
Vice-Chairman

## EXECUTIVE TRUSTEE'S REPORT FOR THE YEAR APRIL 2013 – MARCH 2014

There have been some significant changes in Starfish Asia (UK) in the past year, that reflect growth, development and increasing maturity in our commitment to the needs of Pakistan's children. These will be developed in this report, but here is a summary of the main changes.

- 2013-2014 has seen considerable **increase in both income and expenditure**, one of our best years in terms of income.
- Some clear **developments in the work of Starfish Pakistan** and a greater focus on educational standards and provisions that have been both supported and encouraged by the funding capabilities of Starfish Asia (UK).
- Commitment to several **new projects and partners in Pakistan**.
- The significant appointment of **new staff members in the UK** (to start work in September) with a view to the future longevity and leadership of Starfish Asia.

### Fund-raising overview

As reported elsewhere in our Annual returns, 2013-14 has been a good year – funds have continued to be sufficient to meet our essential budgeted commitments to projects and Pakistan, though never enough to meet all our ideals.

We committed this year to one major school building, purchasing, renovating and furnishing a building for St. James School in HenryK Colony, Lahore. The school was impossibly overcrowded in its previous location with 230 students up to class 9.

St. James is one of six projects that are now no longer supported by Starfish Asia (UK). Their regular support has been taken over by Starfish Asia (Singapore) Ltd. SA Singapore not only now monitors and provides essential financial support, but has also taken responsibility to help in teacher training and school improvement for these six projects. Geraldine Lee and her co-workers from Singapore have visited Pakistan twice in the past year.

We are grateful to many generous and regular donors who have demonstrated continued and sacrificial loyalty to Starfish Asia this year. Several new donors have contributed through our newly designed website, which came online in September.

Our thanks go to one especially generous supporter from the USA who has provided throughout the year for the running costs of Homes and Schools for the blind, orphaned and otherwise disabled children. His generosity has also enabled us to fund a "Discretion Fund" that has provided emergency help to many people in need (such as a school teacher who required an emergency triple-bypass heart operation, chemotherapy for a 14 year-old student, dental treatment for an office helper, etc.).

Again in 2013 six runners took to London's streets for the British 10K London Run and raised about £3,500 from friends who sponsored them. Alan Grant again ran the 96-mile West Highland Way Race from Glasgow to Fort William. Jenny Brown entered the Great Midlands Fun Run and raised funds. Thank you to all!

### Developments in Starfish Pakistan

Starfish Pakistan, under its Director Anser Javed and his wife Kashi, has taken several new initiatives in the past year. We work in close harmony with Starfish Pakistan, as their funding comes largely from Starfish Asia (UK), USA and Singapore. Local initiatives include:

- ~ Receipt of funds from local sources for several scholarships, especially for several young people studying at the Christian Technical Training Centre in Gujranwala, with whom Anser has a close working relationship.
- ~ Development of close partnership with a national education initiative, Idara-e-Taleem-o-Agahi (<http://www.itacec.org/>) that offers a programme to low-cost private schools, known as

School Assessment for School Improvement. A team of independent educationalists is currently making assessments of all the 30 schools supported by Starfish Pakistan, providing us with recommendations and tools to improve standards.

- One school, Morning Star, was assessed by ITA and they had many recommendations for improvement. As a result of this the school has hired a teacher with better qualifications and the school is beginning already to turn around. They will have another assessment later in the year to see how the changes are taking effect.
- ~ Anser has also been working to develop a relationship with a local organization, Teach for Pakistan (<http://www.iteachforpakistan.org/>) that places teachers in schools to monitor and improve quality. He has also developed a relationship with the Citizens Foundation (<http://www.tcf.org.pk/>), which runs 1,000 low-cost schools in Pakistan. They have agreed to provide training to SA teachers initially in Karachi.
- ~ Starfish Pakistan is also engaged in overseeing better provision of electricity supply in schools through solar power for which Anser is currently investigating grants from overseas Embassies.
- ~ Anser has tried to help Projects with the importance of proper educational practices, such as salary registers, lesson plans and diaries – all aimed at improving the service provided by projects that are supported by Starfish Asia donors.
- ~ Starfish Pakistan has also been working with our partners to improve levels of accountability, ensuring that all projects are complying with standards expected of international Charity laws. A Manual of Practice (in English and Urdu) has been sent to each Starfish Pakistan partner, to which they must all give signed agreement. This covers standards which all Starfish Pakistan funded partners are expected to adhere to, in areas such as Financial Accountability, Child Safeguarding, Ethics and Integrity, anti-Discrimination, anti-Bribery, Fraud and Corruption.

### **New Projects and Partners in Pakistan**

In the past year one school project has been dropped from our list, as they have developed full support from other sources. We have begun to provide regular support to several new schools:

- The **Light Home School** in Gujranwala is a Middle School with about 100 students, funded through Starfish Pakistan by another charity, Shared Hope, with whom we work in close partnership.
- **Dean Public School** in Lahore has run for 9 years and produces excellent Matric results from its 200 students. We have provided material help to improve their very dilapidated building and provide furniture, and now some regular support to improve the salaries of their hard-working teachers.
- **Agape Home** is the initiative of a teacher who used to work at the Mercy Mission School for disabled children in Youhannabad, Lahore. When the Mercy Mission closed she dreamed of opening her own school to care for the disabled. After supporting her for six months' work experience in another similar school, we are now providing for her to open the Agape Home for about 25 needy and special young people.
- **New Life Christian School** is a family enterprise in a village near Sahiwal. At great personal sacrifice they have struggled to provide education up to Class 8 for about 100 children, maintaining a high standard of teaching on a minimal budget. We have now agreed to provide scholarships to enable more students from very poor Christian families to attend.
- **Tahir Memorial School** is named after a man who was murdered in a bungled robbery in 2011. His sister, a former bank employee, determined to open a school in his memory to serve the children of deprived Christian brick kiln workers outside Sheikhpura. 100 children study at the school.
- **The United School** in a village near Gujranwala, was opened in 2012 by a young lady who was troubled by the lack of education available for her village Christians. She put all her

personal resources into opening a small primary school for the children. Starfish Asia began to provide support in 2013, with help from Shared Hope.

### **Other areas of improvement**

**Starfish Asia (together with SA Singapore, USA and Pakistan) is now providing support for more than 7,000 children in 31 schools, together with 8 homes and schools for orphans, blind, disabled and otherwise needy children.** We realise that mere places in school alone can never meet the needs of the poor. We are aiming at a quality of life for these children that requires more than education.

- ~ **Sustainable development:** We are working with several other schools to increase their levels of fee income so that we might gradually reduce our support. This is no easy process, as few families are able to pay even moderate fees. The Government's Constitutional guarantee of free education to Secondary level is still an unattainable ideal.
- ~ **Teacher inspiration and training:** We have been very concerned this year by the low level of teacher salaries and have worked hard to increase salaries, together with providing funding for improving qualifications. Teachers need to be more than people who impart information. Our goal is teachers that are inspired with the vision of equipping the next generation for citizenship.
- ~ **School equipment:** Thanks to a generous grant from a US Foundation, we have been able to provide a lot of school furniture and equipment to under-resourced schools.
- ~ **School books:** Once again this year we were able to provide subsidies to all the schools we support for the purchase of school books for the students – our undertaking that every child should have the books they need for their studies. We provided a total of more than £15,000 and a further amount was sent from Singapore. This year we printed 50,000 exercise books which were given free to every school. Printed in Karachi they were much cheaper than books available in the market, though not everyone was happy with the size and design of the books. We will do it differently next year.
- ~ **Bible Curriculum:** We are also aware of the spiritual values essential to education. The Bible Curriculum for the Christian children in schools that we support is now available up to Class 3. Published by a local Christian Publisher, Nirali Kitaben, the books include a Teachers Manual and class textbooks in Urdu and English, and are commercially available to Christian schools across Pakistan through the Publisher. Work continues to prepare Class 4 and 5 before the next academic year.
- ~ **Scholarships:** We have continued to provide scholarships to about 80 promising young people eager to gain good qualifications. This includes some low-cost grants to enable Matric-pass students to study for the next qualification (Intermediate level) and some students wanting to qualify for higher degrees that require funds inaccessible to many from minority communities. These include some Beautician courses, mechanics and electronics training, as well as studies for D.Pharmacy, Nursing, ACCA accountancy and one student who has now completed her M.Phil.

### **Ian and Fiona Anderson**

For several years we have been praying and looking for someone suitable to join Starfish Asia (UK) to work alongside us with a view to ultimately take full responsibility for Starfish Asia into the future. Kerstin and I are now both in our 70's. The time has come to find a successor.

We see the arrival of **Ian and Fiona Anderson**, both in their mid-50's, as an answer to prayer. Ian was born in Pakistan where his parents were missionaries with the Church of Scotland. He left aged 12 and had not been back until his visit in April 2014. His wife Fiona had never been in Pakistan. They have had a varied career, mainly in teaching, latterly in a private school in Ramsgate. In April they spent 6 days in Pakistan and together we visited 15 schools and introduced them to Anser and Kashi, with whom future close co-operation is essential to their roles.

They have resigned from their jobs and will join Starfish Asia in September. The coming year will be one of gradual transition of responsibility. We expect to remain fully involved for as long as energy and health permit, which at present looks as though it could be for some time.

### **Individual School progress reports**

Space forbids any details of the 39 projects now supported by Starfish Pakistan, of which 32 are funded by Starfish Asia (UK). This is a brief insight into some that have gone through change in the past year.

- **Friends Primary School** in Su-e-Asal. This school operated from utterly inadequate premises. It serves about 200 children from families of brick kiln workers. Ashraf Rehmat negotiated with a land owner and we paid two years rent in advance, with which five classrooms were constructed. More rooms are required but the school is a model of neatness and hope. We found some of the most confident students of any school when we visited in April 2014.
- **Morning Star (Primary) School** in Karachi has an agreement with **Calvary Model School** (both supported by SA) that their Class 5 graduates will move to Calvary for their Secondary schooling. This year 20 children moved from Class 5 in Morning Star to Calvary's Class 6 which doubled in size. They will study free for the coming year.
- **St. Peter's School** in Burj Klan, a village of bamboo workers close to the India border, bought a second-hand bus with funding from Singapore. It now brings 85 children every day from nearby villages to study at the school.
- **The Lahore Christian High School**, run by the Fellowship of Christ, organised a distribution of food for local widows and poor Christian ladies at Easter. It is an annual event and much appreciated by the community.

### **Pain and Progress**

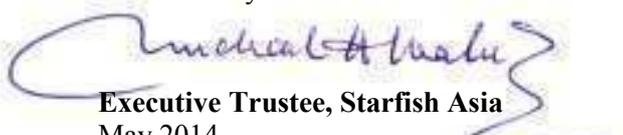
Pakistan has a new Government that is working hard to make progress in tackling the massive problems that face the country: Violent terrorism that has deeply affected the Christian community in the past year, chronic power shortage that leaves homes and schools without power for lights and fans for half the day, inflation and an economy ill-equipped to face the modern world.

The Punjab Government recently reaffirmed their commitment (written into the Constitution) to provide free secondary education to every child. It is a promise they are unlikely to fulfil as long as the Government school system remains in administrative break-down. Educationalists widely recognise that the private education provider is essential to the future – and few take into consideration those who are too poor to pay even the smallest fee. This is where we believe we are still making a huge and significant difference to Pakistani society and the future.

**We are thankful as ever for our supporters, who together with a few Foundations and Trusts have made this possible – providing resources through Starfish Pakistan to dedicated Pakistani men and women who are going the extra mile to make a positive difference to the lives of thousands of children, their families and communities. By God's grace and help we hope to do even more in the coming year.**

**Submitted with gratitude:**

Mike Wakely

  
**Executive Trustee, Starfish Asia**  
May 2014

## **Independent Examiner's Report to the Trustees of Starfish Asia**

I report on the accounts of the charity for the year ended 31 March 2014, which are set out on pages 10 to 15.

### **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:

- (i) examine the accounts under section 145 of the 2011 Act;
- (ii) to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- (iii) to 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:

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

### **Nigel Hewson FCA DChA**

Chartered Accountant  
Hewsons  
80 Woodhurst Avenue  
Petts Wood  
Orpington  
Kent  
BR5 1AT

17 December 2014

STARFISH ASIA

STATEMENT OF FINANCIAL ACTIVITIES  
for the year ended 31 March 2014

	Note	General Funds	Restricted Funds	Total 2014 £	Total 2013 £
<b>INCOMING RESOURCES</b>					
<i>Incoming resources from generated funds</i>					
Gifts & donations		292,673	151,749	444,422	377,656
Gifts in kind	9	2,382	0	2,382	2,350
		<u>295,055</u>	<u>151,749</u>	<u>446,804</u>	<u>380,006</u>
<i>Bank interest</i>		28	0	28	28
<b>TOTAL INCOMING RESOURCES</b>		<u>295,083</u>	<u>151,749</u>	<u>446,832</u>	<u>380,034</u>
<b>RESOURCES EXPENDED</b>					
<i>Cost of generating funds</i>	2	5,562	0	5,562	11,956
<i>Charitable activities</i>					
Support of educational programmes in Pakistan	3	277,397	142,417	419,814	353,088
<i>Governance costs</i>	4	920	0	920	2,200
		<u>283,879</u>	<u>142,417</u>	<u>426,296</u>	<u>367,244</u>
<b>NET INCOMING RESOURCES FOR THE YEAR</b>		11,204	9,332	20,536	12,790
Transfer between funds	11	0	0	0	0
<b>NET MOVEMENT IN FUNDS</b>		11,204	9,332	20,536	12,790
<i>Reconciliation of funds</i>					
Funds, 1 April 2013		64,614	32,273	96,887	84,097
<b>FUNDS, 31 MARCH 2014</b>		<u>75,818</u>	<u>41,605</u>	<u>117,423</u>	<u>96,887</u>

There have been no recognised gains or losses, other than the results of the financial year and all profits and losses have been accounted for on an historical cost basis.

The notes on pages 12-15 form part of these accounts

STARFISH ASIA

BALANCE SHEET  
31 March 2014

	Note	Unrestricted Funds	Restricted Funds	2014 £	2013 £
TANGIBLE FIXED ASSETS	5	818	0	818	1,729
CURRENT ASSETS					
Debtors and prepayments	6	6,620	20,000	26,620	7,485
Balances at bank and on deposit		69,780	21,605	91,385	89,473
TOTAL CURRENT ASSETS		<u>76,400</u>	<u>41,605</u>	118,005	96,958
CURRENT LIABILITIES					
Creditors falling due within one year	7	1,400	0	1,400	1,800
NET CURRENT ASSETS		<u>75,000</u>	<u>41,605</u>	116,605	95,158
NET ASSETS		<u><u>75,818</u></u>	<u><u>41,605</u></u>	117,423	96,887
THE FUNDS OF THE CHARITY					
Unrestricted Income Funds		75,818	0	75,818	64,614
Restricted Funds	11	0	41,605	41,605	32,273
		<u><u>75,818</u></u>	<u><u>41,605</u></u>	117,423	96,887

**APPROVAL**

The accounts were approved by the trustees and signed on their behalf on 10 December 2014 by :

Michael Wakely

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The notes on pages 12-15 form part of these accounts

## STARFISH ASIA

### NOTES TO THE ACCOUNTS for the year ended 31 March 2014

#### 1. Accounting policies

The principle accounting policies are summarised below and have been applied consistently throughout the year and in the preceding year.

a) The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards, the Statement of Recommended Practice: " Accounting & Reporting by Charities ", issued in March 2005 and the Charities Act 2011.

The trustees have considered the charity's day to day cash flow requirements and have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

b) Unrestricted income funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Restricted funds are subject to restrictions on their expenditure imposed by the donor.

Funds maintained by the charity during the year are listed in note 11 to the accounts.

c) All incoming resources, including income tax recoverable on gift aided donations, are recognised in the accounts when the charity is entitled to the income.

Donated services are included at the value to the charity where this can be quantified. The value of services provided by volunteers is not included in the accounts.

d) Resources expended are reported on an accruals basis and include irrecoverable VAT

Costs of generating funds comprise the costs associated with attracting voluntary income.

e) Grants payable are payments made to third parties in furtherance of the charitable objectives of the charity. They are taken into account at the earlier of when they are paid or become legally enforceable.

f) Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity.

g) Tangible fixed assets used by the charity in the UK are stated at cost less accumulated depreciation.

Assets are depreciated at 25% p.a. on the straight line basis.

#### 2. Cost of generating funds

	Unrestricted Funds	Restricted Funds	2014	2013
	£	£	£	£
Promotional costs	5,562	0	5,562	11,956

NOTES TO THE ACCOUNTS (continued)  
for the year ended 31 March 2014

3. Charitable activities	Unrestricted Funds £	Restricted Funds Note 11	2014 £	2013 £
<i>a. Grants payable</i>				
The charity undertakes its charitable activities through grant making to educational projects in Pakistan and during the year awarded grants to a number of institutions as follows:				
Mission School Lahore	667	1,627	2,294	2,956
Light School Sheikhupura	1,224	5,094	6,318	8,265
RDCM School Hasanabdal	8,965	0	8,965	11,033
Fellowship of Christ Lahore & Sharakphur	34,366	559	34,925	16,817
Miracle School Lahore	21,715	6,217	27,932	19,365
CAP Ministries Lahore	0	0	0	23,260
Sada-e-Aman School Sargodah	19,382		19,382	13,775
Holy Shepherd School Karachi	12,439	9,595	22,034	19,178
Ananais Home ( Caritas )	10,090	0	10,090	7,930
Ghuri Wisdom High School Youhannabad	15,277	0	15,277	15,948
Gospel School System Bilatown	8,693	6,410	15,103	13,808
Noor Ministries Lahore	2,562	5,389	7,951	11,234
Kingdom of Heaven School Lahore	13,230	0	13,230	13,052
Talent School Lahore	12,489	0	12,489	8,760
Sponsorship, Curriculum Development, Bibles, Commentaries	0	34,975	34,975	31,112
Compassion Fund	0	15,154	15,154	0
Equipment Fund	0	16,173	16,173	0
Friend's Public School Kasur and Su-e Azal	15,596	2,000	17,596	0
St. James Lahore	5,240	20,720	25,960	0
Alongside Asia Funds	0	17,000	17,000	0
Nirali Kitaben	14,145	0	14,145	0
Grants > £10,000	196,080	140,913	336,993	216,493
<i>Other grants &lt;£10,000</i>	42,903	1,504	44,407	88,292
<b>TOTAL GRANTS</b>	<b>238,983</b>	<b>142,417</b>	<b>381,400</b>	<b>304,785</b>

NOTES TO THE ACCOUNTS (continued)  
for the year ended 31 March 2014

3. Charitable activities continued

<b>TOTAL GRANTS (from previous page)</b>		238,983	142,417	381,400	304,785
b) <i>Support costs</i>					
Depreciation	Note 5	911	0	911	1,101
Overseas travel	Note 9	2,976	0	2,976	2,350
Administrative support	Note 8	1,845	0	1,845	2,158
Office & accountancy charges UK		5,547	0	5,547	9,066
Starfish Asia, Pakistan	Note 10	27,135	0	27,135	33,628
		38,414	0	38,414	48,303
		277,397	142,417	419,814	353,088

The grants above are in support of schools, homes for disabled and disadvantaged children and scholarships. The grants are paid to Starfish Pakistan, a registered charity in Pakistan, who arrange local distribution of funds

A description of the projects supported and the organisations and individuals in Pakistan who manage them are detailed in the Trustees' and Executive Trustee's Report.

4. Governance costs.

This relates to the cost of the independent examination and includes a prior year overprovision of £480

5. Tangible fixed assets

	£	Cost
<i>Office equipment</i>		
Balance 1 April 2013		5,532
Additions during the year		0
Balance 31 March 2014		5,532
		Depreciation
Balance 1 April 2013		3,803
Depreciation charge for the year		911
Balance 31 March 2014		4,714
		Net Book Value
31 March 2014		818
31 March 2013		1,729

6. Debtors & prepayments

	2014	2013
	£	£
Gift Aid tax recovery	6,168	7,103
Grant sent to Starfish Pakistan - repayable (see below)	20,000	0
Debtors & prepayments	452	382
	26,620	7,485

It was not possible for a grant sent to Pakistan to be used for the purposes stated. It was therefore returned after the year end.

7. Creditors falling due within one year

Creditors	0	0
Accruals	1,400	1,800
	1,400	1,800

8. Staff

The charity did not employ any staff in 2013/14

9. Related party transactions

No remuneration was paid to any trustee or to any person connected to them. 4 return flights to Pakistan were undertaken by Mr. & Mrs Wakely at their own expense and the cost of these, estimated at £2,382 (2013: £2,350) has been shown as gifts in kind and one airfare at a cost of £594 was paid directly by the charity (2013: nil)

10. Management charges- Pakistan

In 2012/13, due to the increasing complexities of operations in Pakistan, it was no longer possible to manage the many projects via a volunteer Board in Pakistan supported by trustee and consultant visits from the UK. During that year Starfish Pakistan appointed as its Director, Mr Anser Javed. The costs incurred last year included a contribution to the set up costs for the new arrangements ( housing, transport etc. ) in addition to a contribution to the ongoing operational and office costs.

NOTES TO THE ACCOUNTS (continued)  
for the year ended 31 March 2014

11. Restricted funds	Balances at 1.4.13 £	Incoming Resources	Resources Expended	Transfers	Balances at 31.3.14 £
Scholarships	2,264	6,629	(8,843)	0	50
School Books & Bibles	1,754	12,646	(14,325)	0	75
Light School, Sheikhpura	7,719	7,250	(5,094)	(4,966)	4,909
Alongside Asia Projects	0	17,000	(17,000)	0	0
Curriculum Development	8,657	0	(8,657)	0	0
Mission School	627	1,000	(1,627)	0	0
St. James	0	17,720	(20,720)	3,000	0
Miracle School	0	6,217	(6,217)	0	0
Equipment	0	19,131	(16,173)	0	2,958
Gospel School	2,962	6,000	(6,410)	0	2,552
Fellowship of Christ	559	0	(559)	0	0
Holy Shepherd School	4,308	6,500	(9,595)	0	1,213
Noor Ministries	3,423	0	(5,389)	1,966	0
Compassion Fund	0	21,511	(15,154)	0	6,357
New Testament Commentaries	0	5,045	(3,150)	0	1,895
Friends Public School	0	2,000	(2,000)	0	0
United School	0	2,000	(404)	0	1,596
Sada-E- Aman *	0	20,000		0	20,000
	<u>32,273</u>	<u>150,649</u>	<u>(141,317)</u>	<u>0</u>	<u>41,605</u>
Other grants	0	1,100	(1,100)	0	0
	<u>32,273</u>	<u>151,749</u>	<u>(142,417)</u>	<u>0</u>	<u>41,605</u>

\* This grant was remitted to Starfish Pakistan in March 2004 and will be held there until the school is able to fulfil all of the conditions of the grant.

12. Constructive obligations

At the balance sheet date the charity had no commitments under operating leases or any other contractual or constructive obligations.