

STAREHE UK

England & Wales · Charity number 1158079

Details

Status	Registered
Legal form	CIO
Registered	2014-08-01
Register	View on the Charity Commission register

Contact

Address	Suite RA01 195-197 Wood Street London E17 3NU
Phone	07920 867450
Email	admin@starehe.org
Website	starehe.org

Activities

Objects: THE OBJECTS OF THE CIO ARE:(1) THE FURTHERANCE OF THE EDUCATION OF THE PUPILS AT STAREHE BOYS' CENTRE AND SCHOOL AND STAREHE GIRLS' CENTRE AND SCHOOL IN KENYA BY THE PROVISION OF FUNDS FOR SUCH CAPITAL OR INCOME EXPENSES AS THE TRUSTEES SHALL THINK FIT AND IN PARTICULAR BY THE PROVISION OF BURSARIES AND SCHOLARSHIPS TO FUND THE EDUCATION AT STAREHE BOYS' CENTRE AND SCHOOL AND STAREHE GIRLS' CENTRE AND SCHOOL OF POOR OR ORPHANED CHILDREN, AND(2) THE GENERAL PURPOSES OF SUCH CHARITABLE BODIES OR FOR SUCH OTHER PURPOSES AS SHALL BE EXCLUSIVELY CHARITABLE AS THE TRUSTEES MAY FROM TIME TO TIME DECIDE.

Activities: In 2016 this charity replaced Starehe UK (1035323), a charitable trust formed in 1994. It supports Starehe Boys' Centre & School (founded 1959) and Starehe Girls' School (founded 2005), which provide free secondary education for promising but poor children from all over Kenya, and emphasise the importance of service and leadership. Annual Reports of the former charity are at <http://bit.ly/2b2ISJV>

Classification

- **How:** Makes Grants To Organisations
- **What:** Education/training
- **Who:** Other Charities Or Voluntary Bodies

Geography

- Kenya

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£93,071	£149,236	-	-
2023-12-31	£87,529	£142,819	-	-
2022-12-31	£94,206	£128,880	-	-
2021-12-31	£148,797	£235,115	-	-
2020-12-31	£103,788	£128,828	-	-

Trustees

Name	Role	Appointed
DAVID KISIAKY	Chair	2014-08-01
Dr John F Kibugi		2024-04-22
Festus Maseki		2022-11-01
Geraldine McKibbin		2017-09-01
HELEN VARMA		2014-08-01
KEITH GRANVILLE PRICE		2014-08-01
LORD VALENTINE CECIL		2014-08-01
MARK WEBB		2014-08-01
Neil Andrew Scotney		2024-04-22
PAUL CHAPPLE WHITEHOUSE		2014-08-01
TIM FAITHFULL		2014-08-01
Vane Moraa Aminga		2020-04-01

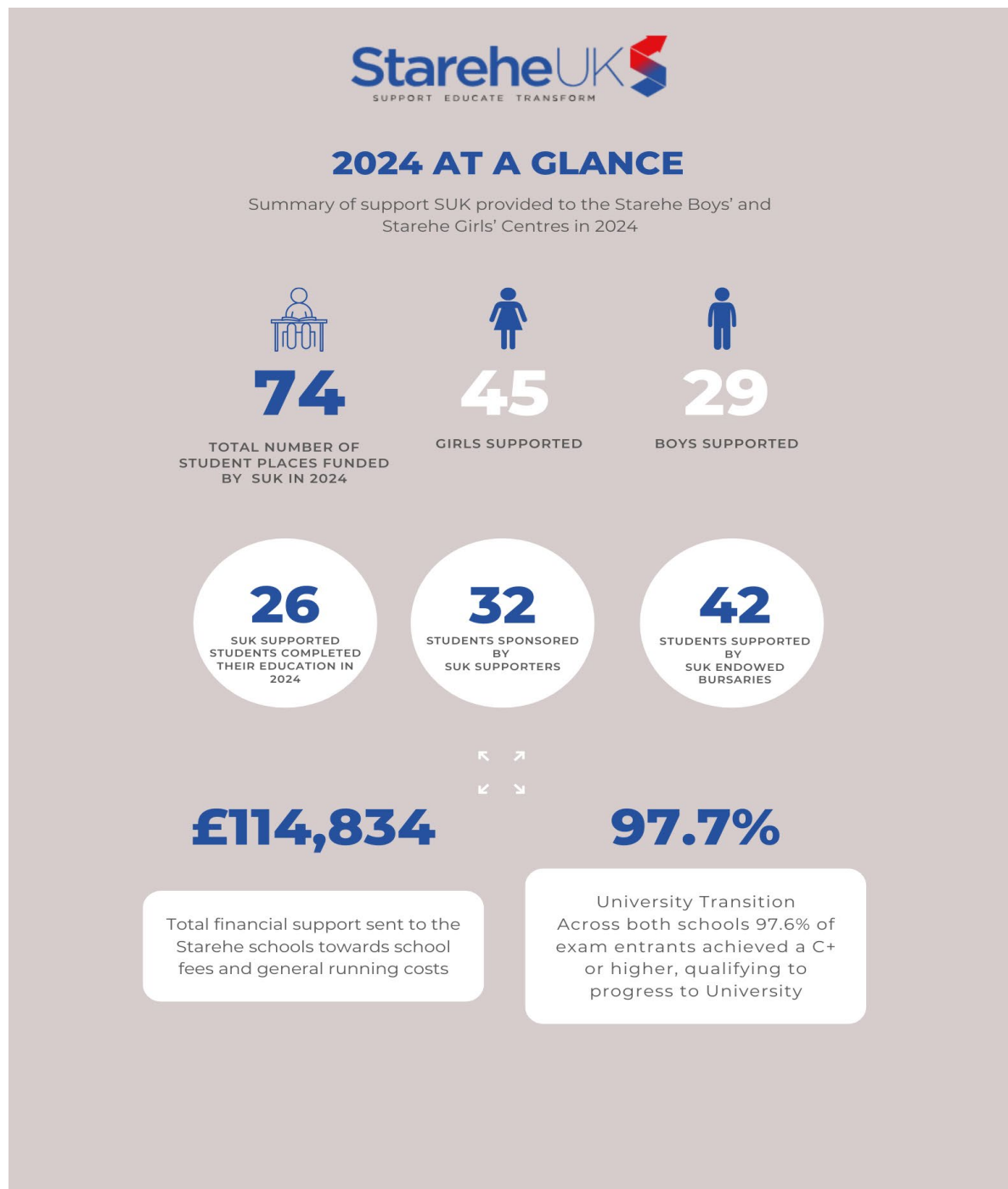
STAREHE UK

England & Wales - Charity number 1158079

Accounts



Starehe UK
Report and Unaudited Financial
Statements
31 December 2024



Starehe UK

Reference and administrative details

For the year ended 31 December 2024

Charity number	1158079
Registered office and operational address	The Printworks 77 High Street Bridgnorth Shropshire WV16 4DX
Trustees	Trustees who served during the period and up to the date of this report were as follows: David Kisiaky Festus Maseki Vane Aminga Lord Valentine Cecil Timothy Faithfull Dr John Kibugi Geraldine McKibbin Keith Price Neil Scotney Helen Varma Mark Webb Paul Whitehouse Chair Treasurer (appointed 22 April 2024) (appointed 22 April 2024)
Administrative support	Ruth Dorrell (Charity Manager) Joanne Knight (Finance Support)
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	Evelyn Partners 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 December 2024

The trustees present their report and the examined financial statements for the 12 month period ended 31 December 2024 for Starehe UK (SUK).

Reference and administrative information is set out on page 2 and 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 2019).

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 kept informed about activities at the schools and SUK via SUK's website and an annual electronic newsletter as well as direct email correspondence. Part-time administrative support was provided during the period by Ruth Dorrell as the Charity Manager. This role is self-employed, working the equivalent of 0.15 FTE. The Charity Manager provides the link between the schools, individual sponsored students, and their supporting donors and also supports trustees with charity governance and some financial administration. Additional support with financial administration is provided by Joanne Knight for a few hours each month as required.

Trustees

The trustees who have served throughout the period are shown on page 2. 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 indicated in 2023 that he would be looking to step down as Chair of Trustees in 2024, allowing time for consideration of his replacement. David Kisiaky, who has been treasurer of Starehe UK since 2012, was appointed as the new Chair of Trustees at the April trustee meeting and Geraldine McKibbin was appointed Vice-Chair. David attended Starehe Boys Centre as a student from 1994 - 1999 before first coming to the UK on an exchange programme at Gordonstoun School in Scotland. Having been involved with Starehe UK since 2008, we look forward to David bringing his significant experience and connection to the Starehe Centres to the role of Chair.

Starehe UK

Report of the trustees

For the year ended 31 December 2024

In 2024 we welcomed two more Starehe alumni to the board of trustees. Dr John Kibugi and Neil Scotney joined Vane Aminga and Festus Maseki on the board to assist with maintaining SUK's connection with the schools.

For the period of this report, the secretary to the trustees was Ruth Dorrell.

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 children in Kenya who have been marginalised by poverty. These exceptional schools provide a home and access to a first-class education for bright boys and girls from Kenya's low income 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 children from low income families or who have been orphaned. 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 £850 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; and
- 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 period.

Achievements and performance

Starehe schools

2024 was an excellent year in terms of exam performance for both Centres. The Boys' Centre saw 99.6% of their students achieve the grades required to secure a place in one of Kenya's public universities. Closely matched by the Girls Centre where 94.8% achieved the necessary C+ or above to progress to University.

The Centres also both celebrated 65 years of Starehe with a 65th anniversary gala in Nairobi, which was well attended by both alumni and staff.

A new academic Principal and Deputy Principal were appointed at Starehe Girls Centre in 2024, the first time these crucial posts have been filled for some years.

Starehe UK

Report of the trustees

For the year ended 31 December 2024

Support provided to Starehe Girls' Centre

- SUK contributed £37,279 (2023: £40,995) towards 45 (2023: 50) named places for girls from low income communities to live and study at Starehe Girls' Centre during 2024. Of these students, 22 were funded via endowed places, and 23 by regular sponsor donations. As well as giving these students access to a first-class education, the school provides a safe home for girls during term time and school holidays if required; and
- SUK contributed £15,873 (2023: £11,375) towards the general running costs of the Starehe Girls' Centre during 2024, helping to support the education of 720 girls. Of these 70% are from low income communities and rely on individual sponsorship to cover their full care and education costs, while 33% have some means to meet all or part of their school fees.

Support provided to Starehe Boys' Centre

- SUK contributed £23,873 (2023: £23,276) towards 29 (2023: 31) sponsored places for boys from low income communities to live and study at Starehe Boys' Centre during 2024. Of these students, 20 were funded via endowed places, and 9 by regular sponsor donations. As well as giving these students a first class education, the school provides a safe home for boys during term time and school holidays if required;
- SUK contributed £35,260 (2023: £28,075) towards the general running costs of the Starehe Boys' Centre during 2024, helping to support the education of over 1,100 students. Of these 70% are from low-income backgrounds and rely on individual sponsorship to cover their full care and education costs, while 30% have some means to meet all or part of their school fees; and
- A £2,549 legacy gift was also transferred to the Starehe Boys' Centre to be spent on the refurbishment and refurnishing of the Physics laboratories in the name of Brian Wray.

Starehe UK fundraising

During the year ended 31 December 2024, the SUK's total incoming resources were £93,071 (2023: £87,529), of which £33,082 (2023: £31,350) was from donations and £59,989 (2023: £56,179) was investment income.

Overall between 1 January 2024 and 31 December 2024, SUK disbursed £114,834 (2023: £109,315) to the two schools as follows:

- £29,834 (2023: £34,315) from sponsorship and other donations; and
- £85,000 (2023: £75,000) from the yield on the funds raised by the Aim High and Starehe Future Appeals, including donations for bursary endowments for student places (restricted long-term sponsorships) 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 2024 calendar year.

In 2024 a webinar was held for supporters of Starehe UK to offer the opportunity to hear from our new Chair of Trustees, David, and get a direct update on matters relating to both SUK and the schools. Attendance was very good at this webinar and it was a wonderful opportunity to connect with loyal SUK supporters.

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

Starehe UK

Report of the trustees

For the year ended 31 December 2024

Financial review

Sources of funding

The charity's investment funds have been secured through two major appeals in the UK. The 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 are treated as restricted. Where donors did not place any restriction on their pledges, these funds are invested to provide future unrestricted investment income.

In addition to these past appeals, SUK receives regular ongoing donations from individuals and organisations. These donations are either restricted for student sponsorship or to support just one or both of the schools with running costs, or gifted as an unrestricted contribution towards general funds.

All restricted donations or investment 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 2024, the income sent to the schools was allocated in the ratio 60:40 to Starehe Boys' Centre and Starehe Girls' Centre respectively. This ratio reflects the different size of the schools and their needs.

Investment policy

The trustees have an investment policy, which is agreed with Evelyn Partners, 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 Consumer Price Index (CPI) plus 3.75%, net of fees, over a five year rolling period, with the minimum annual income yield being 2.5% of the value of the portfolio. A composite index is used to assess performance in the context of wider market conditions.

Investment performance

The value of Starehe UK's investments at the end of December 2024 was £2,417,421 (2023: £2,314,459) (2022: £2,229,052). An income of £59,989 (2023: £56,179) was generated during the year.

Just over three quarters of the investment portfolio is invested in equities. Approximately three quarters of the equities are in overseas markets and the remainder in the UK. The equity portfolio is well diversified by industry and geographically with a focus on leading global businesses. The remainder of the portfolio is invested in a combination of bonds, infrastructure, and commercial property. The bond element is invested in both sovereign and corporate debt, albeit with a bias towards sovereign issues. The infrastructure investments are generally global in nature with a bias towards renewable energy. Much of the property exposure is through a property fund which is only available to charities, and which is relatively conservatively invested within the UK with no gearing.

Starehe UK

Report of the trustees

For the year ended 31 December 2024

During 2024, a number of changes were made to the investment policy statement. Firstly, the minimum annual income yield set at 2.5% was removed from the policy. This was originally included following the move to a total return approach, in order to mitigate the initial likely fall in the income generated by the portfolio. However, the trustees agreed that the overriding objective of CPI+ 3.75% per annum should be the key driver within the investment mandate. Retaining the minimum income requirement was seen as posing an unnecessary constraint going forward. It was also agreed that the ARC Steady Growth Charity Index would be used as an additional barometer to reflect how the Starehe portfolio is performing relative to similar charity portfolios which are 60% to 80% invested in equities.

2024 proved to be a strong year, with the investment portfolio recording a return of 8.9% net of costs over the year. This compares to the benchmark return of 9.6% and a return of 8.8% for the ARC Steady Growth Index.

Since Evelyn Partners started managing our investments nearly 10 years ago, the portfolio has returned 69.6% and until 2022, exceeded the CPI linked target return. The substantial rise in inflation over the last few years coupled with a difficult period for markets has resulted in the portfolio return now slightly lagging CPI+3.75%, although this target is still seen as achievable over time.

Reserves policy

Trustees are holding the investments in order to provide an income to the two Starehe Schools. As unrestricted funds were £924,665 at 31 December 2024 (2023: £821,422) and the charity's running costs are very low, they do not have a formal reserves policy.

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 the 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

2025 brings change to the Starehe Centres with no new intake of students in January for the first time in over 60 years. As the Kenyan education system transitions to the new Competency Based Curriculum, students will only spend 3 years in senior secondary schools going forward and 2025 is the adjustment year. We will work with the schools to understand how these changes will affect them and support them wherever possible.

In 2025 we plan to continue with making two annual transfers to the schools in May and December to cover fees for endowed and sponsored places and a grant towards general running costs.

Trustees are confident that SUK will remain a going concern and will continue to support the Starehe schools for the remainder of 2025 and into the future.

Starehe UK

Report of the trustees

For the year ended 31 December 2024

Statement of responsibilities of the trustees

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees are 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;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- 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 Charity (Accounts and Reports) Regulations 2008 and the provisions of the constitution. 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 are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The trustees have no beneficial interest in the charity.

Independent examiners

Godfrey Wilson Limited were re-appointed as independent examiners to the charity during the period and have expressed their willingness to continue in that capacity.

Approved by the trustees on 21 May 2025 and signed on their behalf by



David Kisiaky - Chairman

Independent examiner's report

To the trustees of

Starehe UK

I report to the trustees on my examination of the accounts of Starehe UK (the CIO) for the year ended 31 December 2024, which are set out on pages 10 to 23.

Responsibilities and basis of report

As the charity trustees of the CIO 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.

William Guy Blake

Date: 21 May 2025

William Guy Blake ACA

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 December 2024

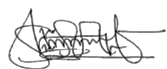
	Note	Restricted £	Unrestricted £	2024 Total £	2023 Total £
Income from:					
Donations	3	-	4,737	4,737	5,223
Charitable activities	4	28,345	-	28,345	26,127
Investments		-	59,989	59,989	56,179
Total income		28,345	64,726	93,071	87,529
Expenditure on:					
Raising funds		-	21,822	21,822	21,503
Charitable activities		29,834	97,580	127,414	121,316
Total expenditure	6	29,834	119,402	149,236	142,819
Net expenditure before investment gains		(1,489)	(54,676)	(56,165)	(55,290)
Net gain on investments		-	157,919	157,919	141,601
Net movement in funds	8	(1,489)	103,243	101,754	86,311
Reconciliation of funds:					
Total funds brought forward		<u>1,500,845</u>	<u>821,422</u>	<u>2,322,267</u>	<u>2,235,956</u>
Total funds carried forward		<u>1,499,356</u>	<u>924,665</u>	<u>2,424,021</u>	<u>2,322,267</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.

Starehe UK**Balance sheet****As at 31 December 2024**

	Note	£	2024 £	2023 £
Fixed assets				
Investments	11		<u>2,417,421</u>	<u>2,314,459</u>
			2,417,421	2,314,459
Current assets				
Debtors	12	1,187		2,538
Cash at bank and in hand		<u>28,953</u>		<u>12,910</u>
		30,140		15,448
Liabilities				
Creditors: amounts falling due within 1 year	13	<u>23,540</u>		<u>7,640</u>
Net current assets			<u>6,600</u>	<u>7,808</u>
Net assets	15		<u><u>2,424,021</u></u>	<u><u>2,322,267</u></u>
Funds	16			
Restricted funds			1,499,356	1,500,845
Unrestricted funds:				
General funds			<u>924,665</u>	<u>821,422</u>
Total charity funds			<u><u>2,424,021</u></u>	<u><u>2,322,267</u></u>

Approved by the trustees on 21 May 2025 and signed on their behalf by



David Kisiaky - Chairman

Starehe UK

Notes to the financial statements

For the year ended 31 December 2024

1. Accounting policies

a) Basis of preparation and general information

Starehe UK is a charitable incorporated organisation registered in England and Wales. The registered office address is The Printworks, 77 High Street, Bridgnorth, Shropshire, WV16 4DX.

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 2019) - (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) 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.

e) 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.

Notes to the financial statements

For the year ended 31 December 2024

1. Accounting policies (continued)

f) 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.

g) Allocation of support and governance costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Governance costs are the costs associated with the governance arrangements of the charity, including the costs of complying with constitutional and statutory requirements and any costs associated with the strategic management of the charity's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities on the following basis:

	2024	2023
Charitable activities	80%	80%
Raising funds	20%	20%

h) 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 period end as the difference between the closing market value and the opening market value or purchase value during the period. Listed investments also includes cash and cash equivalents held for re-investment purposes.

i) 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.

j) 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.

k) 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. Cash held by the investment managers for the purposes of re-investment is included within listed investments on the balance sheet.

Notes to the financial statements

For the year ended 31 December 2024

1. Accounting policies (continued)

l) 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.

m) Grants payable

Grants payable are charged in the period 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 a commitment but are not accrued as expenditure.

n) Foreign currency transactions

Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Balances denominated in foreign currencies are translated at the rate of exchange prevailing at the year end.

o) Accounting estimates and key judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In the year to 31 December 2024 no key sources of estimation uncertainty had a significant effect on the amounts recognised in the financial statements.

Starehe UK

Notes to the financial statements

For the year ended 31 December 2024

2. Statement of financial activities - prior period comparative

	Restricted £	Unrestricted £	2023 Total £
Income from:			
Donations	-	5,223	5,223
Charitable activities	26,127	-	26,127
Investments	-	56,179	56,179
Total income	26,127	61,402	87,529
Expenditure on:			
Raising funds	-	21,503	21,503
Charitable activities	34,316	87,000	121,316
Total expenditure	34,316	108,503	142,819
Net expenditure before investment gains	(8,189)	(47,101)	(55,290)
Net gains on investments	-	141,601	141,601
Net movement in funds	(8,189)	94,500	86,311

3. Donations

	2024 Total £	2023 Total £
Individual Donations With Gift Aid	2,815	3,495
Individual Donations Without Gift Aid	1,922	1,495
Overseas Donations	-	233
	4,737	5,223

All income from donations in the current and prior period was unrestricted.

Starehe UK

Notes to the financial statements

For the year ended 31 December 2024

4. Charitable activities

	2024 Total £	2023 Total £
Bursaries	2,180	125
Starehe Boys School		
Capital Projects	2,661	(222)
Sponsorships	3,863	3,738
Overseas Sponsorships	-	2,561
Old Starehian Society UK	1,151	75
Starehe Girls School		
Capital Projects	113	75
Sponsorships	17,126	19,700
Overseas Capital Projects	100	-
Old Starehian Society UK	1,151	75
Total charitable activities	<u>28,345</u>	<u>26,127</u>

All income from charitable activities in the current and prior period was restricted.

The reason for the negative prior year income shown above is due to the overstatement of an income debtor in a prior period.

5. Investment income

	2024 Total £	2023 Total £
Dividends and interest from listed investments	59,421	55,907
Bank interest	568	272
	<u>59,989</u>	<u>56,179</u>

All income from investments in the current and prior period was unrestricted.

Starehe UK

Notes to the financial statements

For the year ended 31 December 2024

6. Total expenditure

	Raising funds £	Charitable activities £	Support and governance costs £	2024 Total £
Grants payable to partners (note 7)	-	114,834	-	114,834
Freelance workers	-	5,118	5,118	10,236
General office expenditure	-	-	1,304	1,304
Bank charges	160	-	-	160
Investment charges	19,796	-	-	19,796
Exchange rate (gain) / loss	-	-	(94)	(94)
Accountancy and professional fees	-	-	3,000	3,000
Sub-total	19,956	119,952	9,328	149,236
Allocation of support and governance costs	<u>1,866</u>	<u>7,462</u>	<u>(9,328)</u>	<u>-</u>
Total expenditure	<u>21,822</u>	<u>127,414</u>	<u>-</u>	<u>149,236</u>

Governance costs in the year were £3,000 (2023: £2,898).

Prior period comparative

	Raising funds £	Charitable activities £	Support and governance costs £	2023 Total £
Grants payable to partners (note 7)	-	109,315	-	109,315
Freelance workers	-	3,630	3,630	7,260
General office expenditure	-	-	1,009	1,009
Bank charges	216	-	-	216
Investment charges	19,194	-	-	19,194
Exchange rate (gain) / loss	-	-	2,927	2,927
Accountancy and professional fees	-	-	2,898	2,898
Sub-total	19,410	112,945	10,464	142,819
Allocation of support and governance costs	<u>2,093</u>	<u>8,371</u>	<u>(10,464)</u>	<u>-</u>
Total expenditure	<u>21,503</u>	<u>121,316</u>	<u>-</u>	<u>142,819</u>

Starehe UK

Notes to the financial statements

For the year ended 31 December 2024

7. Grants payable

	2024 £	2023 £
Grant to Starehe Boys' Centre	61,682	51,351
Grant to Starehe Girls' Centre	<u>53,152</u>	<u>57,964</u>
Total	<u><u>114,834</u></u>	<u><u>109,315</u></u>

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

8. Net movement in funds

This is stated after charging:

	2024 £	2023 £
Trustees' remuneration	Nil	Nil
Trustees' reimbursed expenses	Nil	Nil
Independent examiner's fees (excluding VAT)	<u><u>2,500</u></u>	<u><u>2,300</u></u>

No trustees were reimbursed for expenses during the current or prior year.

Starehe UK

Notes to the financial statements

For the year ended 31 December 2024

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 period. The Charity Manager was paid fees of £8,836 during the year (2023: £4,741).

10. Taxation

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

11. Listed investments

	2024 £	2023 £
Market value at 1 January 2024	2,300,142	2,201,099
Additions	589,328	663,170
Disposals proceeds	(665,890)	(705,728)
Realised gains	55,177	5,321
Unrealised gains	102,742	136,280
Market value at 31 December 2024	2,381,499	2,300,142
Cash held pending re-investment	35,922	14,317
Total investments	2,417,421	2,314,459
Investments comprise:		
Listed investments	2,381,499	2,300,142
Cash and cash equivalents	35,922	14,317
Total investments	2,417,421	2,314,459

12. Debtors

	2024 £	2023 £
Accrued income	1,187	2,514
Trade debtors	-	24
	1,187	2,538

Starehe UK

Notes to the financial statements

For the year ended 31 December 2024

13. Creditors : amounts due within 1 year

	2024 £	2023 £
Accruals	8,078	7,640
Grant commitments (note 14)	15,462	-
	23,540	7,640

14. Grant commitments

	2024 £	2023 £
Grant commitments brought forward	-	-
Grants committed during the period	114,834	109,315
Grants paid during the year	(99,372)	(109,315)
Grant commitments carried forward	15,462	-

A detailed list of grants payable is included in note 7.

15. Analysis of net assets between funds

	Restricted funds £	Unrestricted funds £	Total funds £
Investments	1,513,760	903,661	2,417,421
Current assets	1,058	29,082	30,140
Current liabilities	(15,462)	(8,078)	(23,540)
Net assets at 31 December 2024	1,499,356	924,665	2,424,021

Prior period comparative

	Restricted funds £	Unrestricted funds £	Total funds £
Investments	1,498,729	815,730	2,314,459
Current assets	2,116	13,332	15,448
Current liabilities	-	(7,640)	(7,640)
Net assets at 31 December 2023	1,500,845	821,422	2,322,267

Starehe UK

Notes to the financial statements

For the year ended 31 December 2024

16. Movements in funds

	At 1 January 2024 £	Income £	Expenditure £	Investment gains / (losses) £	At 31 December 2024 £
Restricted funds					
Capital Projects - Girls' Centre	377	213	(573)	-	17
Capital Projects - Boys' Centre	3,123	2,661	(2,717)	-	3,067
Aim High Appeal	868,991	-	-	-	868,991
StareheFuture Appeal	605,612	2,179	-	-	607,791
Sponsorship - Girls' Centre	19,040	18,278	(18,579)	-	18,739
Sponsorship - Boys' Centre	3,702	5,014	(7,965)	-	751
Total restricted funds	<u>1,500,845</u>	<u>28,345</u>	<u>(29,834)</u>	<u>-</u>	<u>1,499,356</u>
Unrestricted funds					
General funds	<u>821,422</u>	<u>64,726</u>	<u>(119,402)</u>	<u>157,919</u>	<u>924,665</u>
Total unrestricted funds	<u>821,422</u>	<u>64,726</u>	<u>(119,402)</u>	<u>157,919</u>	<u>924,665</u>
Total funds	<u><u>2,322,267</u></u>	<u><u>93,071</u></u>	<u><u>(149,236)</u></u>	<u><u>157,919</u></u>	<u><u>2,424,021</u></u>

Starehe UK

Notes to the financial statements

For the year ended 31 December 2024

16. Movements in funds (continued)

Prior period comparative

	At 1 January 2023 £	Income £	Expenditure £	Investment gains / (losses) £	At 31 December 2023 £
Restricted funds					
Capital Projects - Girls' Centre	377	75	(75)	-	377
Capital Projects - Boys' Centre	3,420	(222)	(75)	-	3,123
Aim High Appeal	868,991	-	-	-	868,991
StareheFuture Appeal	605,487	125	-	-	605,612
Sponsorship - Girls' Centre	27,154	19,775	(27,889)	-	19,040
Sponsorship - Boys' Centre	3,605	6,374	(6,277)	-	3,702
Total restricted funds	<u>1,509,034</u>	<u>26,127</u>	<u>(34,316)</u>	<u>-</u>	<u>1,500,845</u>
Unrestricted funds					
General funds	<u>726,922</u>	<u>61,402</u>	<u>(108,503)</u>	<u>141,601</u>	<u>821,422</u>
Total unrestricted funds	<u>726,922</u>	<u>61,402</u>	<u>(108,503)</u>	<u>141,601</u>	<u>821,422</u>
Total funds	<u><u>2,235,956</u></u>	<u><u>87,529</u></u>	<u><u>(142,819)</u></u>	<u><u>141,601</u></u>	<u><u>2,322,267</u></u>

Notes to the financial statements

For the year ended 31 December 2024

16. Movements in funds (continued) - purpose of restricted funds

Capital Projects - 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	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	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. 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.
Sponsorship - Girls' Centre	To fund sponsored places at Starehe Girls' Centre.
Sponsorship - Boys' Centre	To fund sponsored places at Starehe Boys' Centre.

17. Related party transactions

There were no related party transactions during the current or prior period.

18. Financial instruments at fair value

	2024	2023
	£	£
Financial assets measured at fair value	<u>2,381,499</u>	<u>2,300,142</u>

Financial assets measured at fair value comprise listed investments.

STAREHE UK

England & Wales - Charity number 1158079

Accounts



Starehe UK
Report and Unaudited Financial
Statements
31 December 2023



Starehe UK

Reference and administrative details

For the year ended 31 December 2023

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 period and up to the date of this report were as follows: Timothy Faithfull Chair David Kisiaky Treasurer Vane Aminga Lord Valentine Cecil Festus Maseki Geraldine McKibbin Keith Price Helen Varma Mark Webb Paul Whitehouse
Administrative support	Ruth Dorrell (Charity Manager) Joanne Knight (Finance Support)
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	Evelyn Partners (previously called 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 December 2023

The trustees present their report and the examined financial statements for the 12 month period ended 31 December 2023 for Starehe UK (SUK).

Reference and administrative information is set out on page 2 and 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 2019).

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 kept informed about activities at the schools and SUK via SUK's website and an annual electronic newsletter. Part-time administrative support was provided during the period by Ruth Dorrell as the Charity Manager. This role is self-employed, working the equivalent of 0.1 FTE. The Charity Manager provides the link between the schools, individual sponsored students, and their supporting donors and also supports trustees with charity governance and some financial administration. Support with financial administration is provided by Joanne Knight for a few hours each month as required.

Trustees

The trustees who have served throughout the period are shown on page 2. 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 the 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, to establish a primary school prior to it becoming a registered secondary and primary school in 1972. 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.

Starehe UK

Report of the trustees

For the year ended 31 December 2023

David Kisiaky, an Old Starehian resident in the UK, was appointed as a trustee in 2008, and has been Treasurer since 2012. Former Starehian pupils, Vane Aminga and Festus Maseki were also appointed as trustees, in April 2020 and October 2022 respectively, to further maintain SUK's connection with the schools.

For the period of this report, the secretary to the trustees was Ruth Dorrell.

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 children in Kenya who have been marginalised by poverty. These exceptional schools provide a home and access to a first-class education for bright boys and girls from Kenya's low income 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 children from low income families or who have been orphaned. Donors are assigned as a sponsor for one or more named pupils and receive termly school reports and letters from their sponsored student(s). The schools receive up to £850 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; and
- 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 period.

Achievements and performance

Starehe schools

2023 was the first year since the Pandemic that both Starehe Girls' Centre and Starehe Boys' Centre were able to resume a normal term structure. The challenging need to compress terms to compensate for the time the schools had to close due to Covid was removed.

The Kenyan Certificate of Secondary Education examinations took place in November 2023 when 92.8% of all Starehe Students achieved the grades required to secure a place in one of Kenya's public universities.

It is a credit to all the hard work and determination from the students and staff at the school that they continue to maintain such excellence. As well as this outstanding academic performance the schools have also increased their focus on supporting students' emotional wellbeing in the aftermath of the pandemic when many struggled to readjust.

Starehe UK

Report of the trustees

For the year ended 31 December 2023

The schools were able to offer a full programme of extracurricular activities to students, including participation in an international Round Square conference hosted in Nairobi.

Support provided to Starehe Girls' Centre

- SUK contributed £40,995 (2022: £38,251) towards 50 (2022: 50) named places for girls from low income communities to live and study at Starehe Girls' Centre during 2023. Of these students, 22 were funded via endowed places, and 28 by regular sponsor donations. As well as giving these students access to a first-class education, the school provides a safe home for girls during term time and school holidays if required;
- SUK forwarded £5,594 towards fee payment and tertiary education costs for winners under the Feuer Citizenship Prize; and
- SUK contributed £11,375 (2022: £13,804) towards the general running costs of the Starehe Girls' Centre during 2023, helping to support the education of 790 girls. Of these 67% are from low income communities and rely on charity sponsorship to cover their full care and education costs while 33% have some means to meet all or part of their school fees.

Support provided to Starehe Boys' Centre

- SUK contributed £23,276 (2022: £24,284) towards 31 (2022: 35) sponsored places for boys from low income communities to live and study at Starehe Boys' Centre during 2023. Of these students, 20 were funded via endowed places, and 11 by regular sponsor donations. As well as giving these students a first class education, the school provides a safe home for boys during term time and school holidays if required; and
- SUK contributed £28,075 (2022: £31,778) towards the general running costs of the Starehe Boys' Centre during 2023, helping to support the education of over 1,100 students. Of these 70% are from deprived backgrounds in low income communities and rely on charity sponsorship to cover their full care and education costs while 30% have some means to meet all or part of their school fees.

Starehe UK fundraising

During the year ended 31 December 2023, the SUK's total incoming resources were £87,529 (2022: £94,206), of which £31,350 (2022: £33,969) was from donations and charitable activities, and £56,179 (2022: £60,237) was investment income.

Overall between 1 January 2023 and 31 December 2023, SUK disbursed £109,315 (2022: £108,117) to the two schools as follows:

- £34,315 (2022: £33,117) from sponsorship and other donations; and
- £75,000 (2022: £75,000) from the yield on the funds raised by the Aim High and Starehe Future Appeals, including donations for bursary endowments for student places (restricted long-term sponsorships) 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 2023 calendar year.

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

- Simon Brister for committing to sponsor new Form 1 students at Starehe Girls' Centre; and
- Jonathan Feuer for his continuing support of the Jonathan Feuer Citizenship Award at the Starehe Girls' Centre.

Starehe UK

Report of the trustees

For the year ended 31 December 2023

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

Financial review

Sources of funding

The charity's investment funds have been secured through two major appeals in the UK. The 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 are treated as restricted. Where donors did not place any restriction on their pledges, these funds are invested to provide future unrestricted investment income.

In addition to these past appeals, SUK receives regular ongoing donations from individuals and organisations. These donations are either restricted for student sponsorship or to support just one or both of the schools with running costs, 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 2023 the investment income was allocated in the ratio 60:40 to Starehe Boys' Centre and Starehe Girls' Centre respectively. This ratio reflects the different sizes of the schools and their needs.

Financial position

There was a net deficit before investment gains for the 12-month period of £55,290. After accounting for the increase on investments of £141,601 arising from the revaluation of investments held at 31 December 2023 to market value, the total net increase in the funds for the period is £86,311.

Investment policy

The trustees have an investment policy, which is agreed with Evelyn Partners (previously Smith & Williamson), 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 Consumer Price Index (CPI) plus 3.75%, net of fees, over a five year rolling period, with the minimum annual income yield being 2.5% of the value of the portfolio. A composite index is used to assess performance in the context of wider market conditions.

Starehe UK

Report of the trustees

For the year ended 31 December 2023

Investment performance

The value of Starehe UK's investments at the end of December 2023 was £2,314,459 (2022: £2,229,041). An income of £56,179 (2022: £60,237) was generated during the year.

Just under three quarters of the investment portfolio is invested in equities. Approximately two thirds of the equities are in overseas markets and the remainder in the UK. The equity portfolio is well diversified by industry and geographically with a focus on leading global businesses. The remainder of the portfolio is invested in a combination of bonds, infrastructure, and commercial property. The bond element is invested in both sovereign and corporate debt, albeit with a bias towards short-dated issues. The infrastructure investments are generally global in nature with a bias towards renewable energy. The bulk of the property exposure is through a property fund which is only available to charities, and which is relatively conservatively invested within the UK.

The Starehe portfolio recorded a return of 7.9% net of costs over the year. This compares to the benchmark return of 11.0% and a return of 7.5% for the ARC Steady Growth index. The ARC index provides a gauge for the performance of similar UK charity portfolios which are 60% to 80% invested in equities.

Since Evelyn Partners started managing our investments nearly 9 years ago, the portfolio has returned 55.7% and until 2022, exceeded the CPI linked target return. The substantial rise in inflation over the last few years coupled with a difficult period for markets has resulted in the portfolio return now slightly lagging CPI+3.75%, although this target is still seen as achievable over time.

Reserves policy

Trustees have agreed that reserves to cover 3 to 6 months' running costs (2023: £2,792 to £5,584) for the charity, plus an emergency fund for the schools of £75,000 should be maintained. The unrestricted funds of £821,422 at 31 December 2023 (2022: £726,922) sufficiently cover this.

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 the 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.

Starehe UK

Report of the trustees

For the year ended 31 December 2023

Plans for the future

Fundraising for both of the schools remains a challenge and costs in Kenya continue to rise. SUK trustees intend to make the usual transfers of funds to the schools in 2024 to support student places and general running costs. Trustees are confident that SUK will remain a going concern and will continue to support the Starehe schools for the remainder of 2024 and into the future.

SUK intends to make two transfers to both schools in 2024, in April and December to cover fees for endowed and sponsored places and a grant towards general running costs.

The intended changes to the school structure in Kenya with the roll out of the new Competency Based Curriculum (CBC) will now not affect the Starehe Schools for a few years to come. Under current plans the schools will take their last intake under the 8-4-4 structure next year in 2025, in 2026 there will be no intake as the school adjusts to the new 6-3-3-3 structure under which the duration of senior secondary school will be 3 years rather than 4. The schools are reviewing how this will impact them and are considering the best way to instil the Starehe values when students are only with them for 3 years.

Starehe Boys' Centre welcomed a new Director, Mr Frederik Okono at the start of January 2024. SUK look forward to working with Fred, and as Josphat Mwaura concludes his term as Director of the Centre, acknowledge Josphat's enormous contribution to the centre and its exemplary performance over the last few years.

Statement of responsibilities of the trustees

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees are 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;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- 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 Charity (Accounts and Reports) Regulations 2008 and the provisions of the constitution. 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.

Starehe UK

Report of the trustees

For the year ended 31 December 2023

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The trustees have no beneficial interest in the charity.

Independent examiners

Godfrey Wilson Limited were re-appointed as independent examiners to the charity during the period and have expressed their willingness to continue in that capacity.

Approved by the trustees on 26 April 2024 and signed on their behalf by

Tim Faithfull

Timothy Faithfull - Chairman

Independent examiner's report

To the trustees of

Starehe UK

I report to the trustees on my examination of the accounts of Starehe UK (the CIO) for the year ended 31 December 2023, which are set out on pages 11 to 23.

Responsibilities and basis of report

As the charity trustees of the CIO 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.

Alison Godfrey

Date: 29 April 2024

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 December 2023

	Note	Restricted £	Unrestricted £	2023 Total £	2022 Total £
Income from:					
Donations	3	-	5,223	5,223	5,059
Charitable activities	4	26,127	-	26,127	28,910
Investments		-	56,179	56,179	60,237
Total income		<u>26,127</u>	<u>61,402</u>	<u>87,529</u>	<u>94,206</u>
Expenditure on:					
Raising funds		-	21,503	21,503	19,090
Charitable activities		34,316	87,000	121,316	109,790
Total expenditure	5	<u>34,316</u>	<u>108,503</u>	<u>142,819</u>	<u>128,880</u>
Net expenditure before investment gains		(8,189)	(47,101)	(55,290)	(34,674)
Net gains / (losses) on investments		-	141,601	141,601	(257,255)
Net movement in funds	7	(8,189)	94,500	86,311	(291,929)
Reconciliation of funds:					
Total funds brought forward		<u>1,509,034</u>	<u>726,922</u>	<u>2,235,956</u>	<u>2,527,885</u>
Total funds carried forward		<u><u>1,500,845</u></u>	<u><u>821,422</u></u>	<u><u>2,322,267</u></u>	<u><u>2,235,956</u></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 14 to the accounts.

Starehe UK**Balance sheet****As at 31 December 2023**

	Note	£	2023 £	Restated 2022 £
Fixed assets				
Investments	10		<u>2,314,459</u>	<u>2,229,041</u>
			2,314,459	2,229,041
Current assets				
Debtors	11	2,538		2,955
Cash at bank and in hand		<u>12,910</u>		<u>29,583</u>
		15,448		32,538
Liabilities				
Creditors: amounts falling due within 1 year	12	<u>7,640</u>		<u>25,623</u>
Net current assets			<u>7,808</u>	<u>6,915</u>
Net assets	13		<u><u>2,322,267</u></u>	<u><u>2,235,956</u></u>
Funds	14			
Restricted funds			1,500,845	1,509,034
Unrestricted funds:				
General funds			<u>821,422</u>	<u>726,922</u>
Total charity funds			<u><u>2,322,267</u></u>	<u><u>2,235,956</u></u>

Approved by the trustees on 26 April 2024 and signed on their behalf by

Tim Faithfull

Timothy Faithfull - Chairman

Starehe UK

Notes to the financial statements

For the year ended 31 December 2023

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 2019) - (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. The charity held unrestricted, general reserves of £821,422, and a cash balance of £12,910 as at 31 December 2023. The trustees consider that the charity has sufficient cash reserves to continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved.

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) 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.

e) 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.

f) 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.

Notes to the financial statements

For the year ended 31 December 2023

1. Accounting policies (continued)

g) Allocation of support and governance costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Governance costs are the costs associated with the governance arrangements of the charity, including the costs of complying with constitutional and statutory requirements and any costs associated with the strategic management of the charity's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities on the following basis:

	2023	2022
Charitable activities	80%	80%
Raising funds	20%	20%

h) 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 period end as the difference between the closing market value and the opening market value or purchase value during the period. Listed investments also includes cash and cash equivalents held for re-investment purposes.

i) 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.

j) 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.

k) 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. Cash held by the investment managers for the purposes of re-investment is included within listed investments on the balance sheet.

l) 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.

Notes to the financial statements

For the year ended 31 December 2023

1. Accounting policies (continued)

m) Grants payable

Grants payable are charged in the period 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.

n) Foreign currency transactions

Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Balances denominated in foreign currencies are translated at the rate of exchange prevailing at the year end.

o) Accounting estimates and key judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In the year to 31 December 2023 no key sources of estimation uncertainty had a significant effect on the amounts recognised in the financial statements.

2. Statement of financial activities - prior period comparative

	Restricted £	Unrestricted £	2022 Total £
Income from:			
Donations	-	5,059	5,059
Charitable activities	28,910	-	28,910
Investments	-	60,237	60,237
Total income	28,910	65,296	94,206
Expenditure on:			
Raising funds	-	19,090	19,090
Charitable activities	33,116	76,674	109,790
Total expenditure	33,116	95,764	128,880
Net income / (expenditure) before investment gains	(4,206)	(30,468)	(34,674)
Net gains on investments	-	(257,255)	(257,255)
Net movement in funds	(4,206)	(287,723)	(291,929)

Starehe UK

Notes to the financial statements

For the year ended 31 December 2023

3. Donations

	2023	2022
	Total	Total
	£	£
Individual Donations With Gift Aid	3,495	3,764
Individual Donations Without Gift Aid	1,495	1,195
Overseas Donations	233	100
	5,223	5,059

All income from donations in the current and prior period was unrestricted.

4. Charitable activities

	2023	2022
	Total	Total
	£	£
Bursaries	125	125
Starehe Boys School		
Capital Projects	(222)	2,313
Sponsorships	3,738	3,737
Overseas Capital Projects	-	731
Overseas Sponsorships	2,561	3,127
Old Starehian Society UK	75	75
Starehe Girls School		
Capital Projects	75	475
Sponsorships	19,700	17,521
Overseas Capital Projects	-	731
Old Starehian Society UK	75	75
Total charitable activities	26,127	28,910

All income from charitable activities in the current and prior period was restricted.

The reason for the negative income shown above is due to the overstatement of an income debtor in the prior period.

Starehe UK

Notes to the financial statements

For the year ended 31 December 2023

5. Total expenditure

	Raising funds £	Charitable activities £	Support and governance costs £	2023 Total £
Grants payable to partners (note 6)	-	109,315	-	109,315
Freelance workers	-	3,630	3,630	7,260
General office expenditure	-	-	1,009	1,009
Bank charges	216	-	-	216
Investment charges	19,194	-	-	19,194
Exchange rate (gain) / loss	-	-	2,927	2,927
Accountancy and professional fees	-	-	2,898	2,898
Sub-total	19,410	112,945	10,464	142,819
Allocation of support and governance costs	<u>2,093</u>	<u>8,371</u>	<u>(10,464)</u>	<u>-</u>
Total expenditure	<u>21,503</u>	<u>121,316</u>	<u>-</u>	<u>142,819</u>

Governance costs in the year were £2,898 (2022: £2,760).

Total expenditure - prior period comparative

	Raising funds £	Charitable activities £	Support and governance costs £	2022 Total £
Grants payable to partners (note 6)	-	108,117	-	108,117
Freelance workers	-	3,342	3,342	6,684
General office expenditure	-	-	360	360
Bank charges	137	-	-	137
Investment charges	19,371	-	-	19,371
Exchange rate (gain) / loss	-	-	(8,549)	(8,549)
Accountancy and professional fees	-	-	2,760	2,760
Sub-total	19,508	111,459	(2,087)	128,880
Allocation of support and governance costs	<u>(418)</u>	<u>(1,669)</u>	<u>2,087</u>	<u>-</u>
Total expenditure	<u>19,090</u>	<u>109,790</u>	<u>-</u>	<u>128,880</u>

Starehe UK

Notes to the financial statements

For the year ended 31 December 2023

6. Grants payable

	2023 £	2022 £
Grant to Starehe Boys' Centre	51,351	56,062
Grant to Starehe Girls' Centre	<u>57,964</u>	<u>52,055</u>
Total	<u><u>109,315</u></u>	<u><u>108,117</u></u>

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

7. Net movement in funds

This is stated after charging:

	2023 £	2022 £
Trustees' remuneration	Nil	Nil
Trustees' reimbursed expenses	Nil	Nil
Independent examiner's fees (excluding VAT)	<u><u>2,415</u></u>	<u><u>2,300</u></u>

No trustees were reimbursed for expenses during the current or prior year.

Starehe UK

Notes to the financial statements

For the year ended 31 December 2023

8. 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 period. The Charity Manager was paid fees of £4,741 during the year (2022: £6,685).

9. Taxation

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

10. Listed investments

	2023 £	Restated 2022 £
Market value at 1 January 2023	2,201,099	2,404,065
Additions	663,170	694,428
Disposals proceeds	(705,728)	(640,139)
Realised gains / (losses)	5,321	(44,680)
Unrealised gains / (losses)	136,280	(212,575)
Market value at 31 December 2023	<u>2,300,142</u>	<u>2,201,099</u>
Cash held pending re-investment	<u>14,317</u>	<u>27,942</u>
Total investments	<u>2,314,459</u>	<u>2,229,041</u>
Investments comprise:		
Listed investments	2,300,142	2,201,099
Cash and cash equivalents	<u>14,317</u>	<u>27,942</u>
Total investments	<u>2,314,459</u>	<u>2,229,041</u>

The restatement of 2022 figures is to reclassify £27,942 of cash held by the investment manager from cash at bank and in hand to be included within investments, reflecting a change in accounting policy.

11. Debtors

	2023 £	2022 £
Accrued income	2,514	2,640
Trade debtors	<u>24</u>	<u>315</u>
	<u>2,538</u>	<u>2,955</u>

Starehe UK

Notes to the financial statements

For the year ended 31 December 2023

12. Creditors : amounts due within 1 year

	2023	2022
	£	£
Accruals	<u>7,640</u>	<u>25,623</u>

13. Analysis of net assets between funds

	Restricted funds £	Unrestricted funds £	Total funds £
Investments	1,498,729	815,730	2,314,459
Current assets	2,116	13,332	15,448
Current liabilities	<u>-</u>	<u>(7,640)</u>	<u>(7,640)</u>
Net assets at 31 December 2023	<u>1,500,845</u>	<u>821,422</u>	<u>2,322,267</u>

Prior period comparative - restated

	Restricted funds £	Unrestricted funds £	Total funds £
Investments	1,509,034	720,007	2,229,041
Current assets	-	32,538	32,538
Current liabilities	<u>-</u>	<u>(25,623)</u>	<u>(25,623)</u>
Net assets at 31 December 2022	<u>1,509,034</u>	<u>726,922</u>	<u>2,235,956</u>

Starehe UK

Notes to the financial statements

For the year ended 31 December 2023

14. Movements in funds

	At 1 January 2023 £	Income £	Expenditure £	Investment gains / (losses) £	At 31 December 2023 £
Restricted funds					
Capital Projects - Girls' Centre	377	75	(75)	-	377
Capital Projects - Boys' Centre	3,420	(222)	(75)	-	3,123
Aim High Appeal	868,991	-	-	-	868,991
StareheFuture Appeal	605,487	125	-	-	605,612
Sponsorship - Girls' Centre	27,154	19,775	(27,889)	-	19,040
Sponsorship - Boys' Centre	<u>3,605</u>	<u>6,374</u>	<u>(6,277)</u>	<u>-</u>	<u>3,702</u>
Total restricted funds	<u>1,509,034</u>	<u>26,127</u>	<u>(34,316)</u>	<u>-</u>	<u>1,500,845</u>
Unrestricted funds					
General funds	<u>726,922</u>	<u>61,402</u>	<u>(108,503)</u>	<u>141,601</u>	<u>821,422</u>
Total unrestricted funds	<u>726,922</u>	<u>61,402</u>	<u>(108,503)</u>	<u>141,601</u>	<u>821,422</u>
Total funds	<u><u>2,235,956</u></u>	<u><u>87,529</u></u>	<u><u>(142,819)</u></u>	<u><u>141,601</u></u>	<u><u>2,322,267</u></u>

Starehe UK

Notes to the financial statements

For the year ended 31 December 2023

14. Movements in funds (continued) - prior period comparative

	At 1 January 2022 £	Income £	Expenditure £	Investment gains / (losses) £	At 31 December 2022 £
Restricted funds					
Capital Projects - Girls' Centre	824	1,206	(1,653)	-	377
Capital Projects - Boys' Centre	2,029	3,044	(1,653)	-	3,420
Aim High Appeal	868,991	-	-	-	868,991
StareheFuture Appeal	605,362	125	-	-	605,487
Sponsorship - Girls' Centre	29,959	17,596	(20,401)	-	27,154
Sponsorship - Boys' Centre	6,075	6,939	(9,409)	-	3,605
Total restricted funds	<u>1,513,240</u>	<u>28,910</u>	<u>(33,116)</u>	<u>-</u>	<u>1,509,034</u>
Unrestricted funds					
General funds	<u>1,014,645</u>	<u>65,296</u>	<u>(95,764)</u>	<u>(257,255)</u>	<u>726,922</u>
Total unrestricted funds	<u>1,014,645</u>	<u>65,296</u>	<u>(95,764)</u>	<u>(257,255)</u>	<u>726,922</u>
Total funds	<u><u>2,527,885</u></u>	<u><u>94,206</u></u>	<u><u>(128,880)</u></u>	<u><u>(257,255)</u></u>	<u><u>2,235,956</u></u>

14. Movements in funds (continued) - purpose of restricted funds

Capital Projects - 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	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	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. 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.
Sponsorship - Girls' Centre	To fund sponsored places at Starehe Girls' Centre.
Sponsorship - Boys' Centre	To fund sponsored places at Starehe Boys' Centre.

15. Related party transactions

There were no related party transactions during the current or prior period.

16. Financial instruments at fair value

	2023	2022
	£	£
Financial assets measured at fair value	<u>2,300,142</u>	<u>2,201,099</u>

Financial assets measured at fair value comprise listed investments.

STAREHE UK

England & Wales - Charity number 1158079

Accounts



Starehe UK
Report and Unaudited Financial
Statements
31 December 2022

Starehe UK

2022 Headline Figures

For the year ended 31 December 2022

In 2022 SUK supported the Starehe Boys' and Starehe Girls' Centres as follows:

43

Starehe students were sponsored by
SUK supporters

42

Starehe students were supported by
SUK forever bursaries

26

Students supported by SUK
successfully graduated from the
Starehe schools

12

SUK supported graduates reached
the academic standard for university
admittance

7

new student sponsorships were taken
out by SUK supporters

£108,117

was transferred to the Starehe
schools towards school fees and
general running costs

Starehe UK

Reference and administrative details

For the year ended 31 December 2022

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 period and up to the date of this report were as follows: Timothy Faithfull Chair David Kisiaky Treasurer Vane Aminga Lord Valentine Cecil Festus Maseki appointed 1 November 2022 Geraldine McKibbin Frank Midega resigned 1 January 2022 Keith Price Helen Varma Mark Webb Paul Whitehouse
Administrative support	Joanne Knight (Charity Manager) Margaret Shaylor (Accountancy Support)
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	Evelyn Partners (previously called 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 December 2022

The trustees present their report and the examined financial statements for the 12 month period ended 31 December 2022 for Starehe UK (SUK).

Reference and administrative information is set out on page 2 and 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 2019).

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 kept informed about activities at the schools and SUK via SUK's website, electronic newsletters and social media. Part-time administrative support was provided during the period by Joanne Knight as the Charity Manager. This role is self-employed, working the equivalent of 0.1 FTE. The Charity Manager provides the link between the schools, individual sponsored students, and their supporting donors and also supports trustees with charity governance and bookkeeping. Accountancy support is provided voluntarily by Margaret Shaylor for a few hours each month.

Trustees

The trustees who have served throughout the period are shown on page 2. 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 the 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, to establish a primary school prior to it becoming a registered secondary and primary school in 1972. 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.

Starehe UK

Report of the trustees

For the year ended 31 December 2022

David Kisiaky, an Old Starehian resident in the UK, was appointed as a trustee in 2008, and has been Treasurer since 2012. Former Starehian pupils, Vane Aminga and Festus Maseki were also appointed as trustees, in April 2020 and October 2022 respectively, to further maintain SUK's connection with the schools.

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 children in Kenya who have been marginalised by poverty. These exceptional schools provide a home and access to a first-class education for bright boys and girls from Kenya's low income 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 children from low income families or who have been orphaned. Donors are assigned as a sponsor for one or more named pupils and receive termly school reports and letters from their sponsored student(s). The schools receive up to £850 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 (a 'forever' sponsorship) 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; and
- 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 period.

Achievements and performance

Starehe schools

During 2022 all schools in Kenya, including the Starehe Boys' Centre and the Starehe' Girls Centre continued to run four compressed terms to compensate for the Covid school closures in 2020. The Kenyan Certificate of Secondary Education examinations for the academic year of 2021 were deferred until March 2022, when an incredible 93% of all Starehe students achieved the grades required to secure a place in one of Kenya's public universities.

Later in 2022, the KCSE examinations for the academic year of 2022 were held at the usual time of year in November 2022 where Starehe Boys' Centre increased the percentage of students qualifying for a university place further to 94.5%.

Starehe UK

Report of the trustees

For the year ended 31 December 2022

We are immensely proud and fully commend all students and staff at the schools for their achievements. Covering the full curriculum in the compressed terms with reduced breaks between terms required an enormous commitment from staff and pupils. In addition to achieving academically, the students' mental and emotional well-being was supported by teachers, the school counsellors and the alumni. Extracurricular activities were able to resume in 2022, providing rich and varied opportunities for students including music events, debating, sports contests and the Starehe Centres having their own scout troops.

Support provided to Starehe Girls' Centre

- SUK contributed £38,251 (2021: £35,490) towards 50 (2021: 48) named places for girls from low income communities to live and study at Starehe Girls' Centre during 2022. Of these students, 22 were funded via endowed places, and 28 by regular sponsor donations. As well as giving these students access to a first-class education, the school provides a safe home for girls during term time and school holidays if required; and
- SUK contributed £13,804 (2021: £48,258) towards the general running costs of the Starehe Girls' Centre during 2022, helping to support the education of 720 girls, of whom 67% are from low income communities and rely on charity sponsorship to cover their full care and education costs while 33% have some means to meet all or part of their school fees.

Support provided to Starehe Boys' Centre

- SUK contributed £24,284 (2021: £24,002) towards 35 (2021: 33) sponsored places for boys from low income communities to live and study at Starehe Boys' Centre during 2022. Of these students, 20 were funded via endowed places ('forever sponsorships'), and 15 by regular sponsor donations. As well as giving these students a first class education, the school provides a safe home for boys during term time and school holidays if required; and
- SUK contributed £31,778 (2021: £84,428) towards the general running costs of the Starehe Boys' Centre during 2022, helping to support the education of over 1,100 students, of whom 70% are from deprived backgrounds low income communities and rely on charity sponsorship to cover their full care and education costs while 30% have some means to meet all or part of their school fees.

The support provided to both schools for general running costs was much higher in 2021 compared to 2022. In recognition that the schools were financially challenged during 2021, due to the ongoing financial impacts of covid, trustees decided to make an additional withdrawal of £75,000 in June 2021 from the SUK's investments to help the schools cover their essential expenditure. This additional support was not repeated in 2022.

Starehe UK fundraising

During the year ended 31 December 2022, the SUK's total incoming resources were £94,206 (2021: £148,797), of which £33,969 (2021: £85,218) was from donations and £60,237 (2021: £63,579) was investment income. Donations were markedly higher in 2021 compared to 2022, as a significant bursary donation was received in 2021 from a single donor, which was not repeated in 2022.

Starehe UK

Report of the trustees

For the year ended 31 December 2022

Overall between 1 January 2022 and 31 December 2022, SUK disbursed £108,117 (2021: £200,108) to the two schools as follows:

- £Nil (2021: £850) from funds restricted to specific projects;
- £33,117 (2021: £49,258) from sponsorship and other donations; and
- £75,000 (2021: £150,000) from the yield on the funds raised by the Aim High and Starehe Future Appeals, including donations for bursary endowments for student places (restricted 'forever' sponsorships) 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 2022 calendar year.

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

- Simon Brister, Nicola Hart, John Kibugi, Kathleen Anangwe for committing to sponsor new Form 1 students at Starehe Girls' Centre;
- John Kibugi for running the Amsterdam marathon and organising a cricket match fundraiser to raise funds for both schools; and
- Jonathan Feuer for his continuing support of the Jonathan Feuer Citizenship Award at the Starehe Girls' Centre.

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

Financial review

Sources of funding

The charity's investment funds have been secured through two major appeals in the UK. The 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 these past appeals, SUK receives regular ongoing donations from individuals and organisations. These donations are either restricted for student sponsorship or to support just one or both of the schools with running costs, 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 2022 the investment income was allocated in the ratio 60:40 to Starehe Boys' Centre and Starehe Girls' Centre respectively. This ratio reflects the different sizes of the schools and their needs.

Starehe UK

Report of the trustees

For the year ended 31 December 2022

Financial position

There was a net deficit for the 12-month period of £34,674. After accounting for the loss on investments of £257,255 arising from the revaluation of investments held at 31 December 2022 to market value, the total net decrease in the funds for the period is £291,929.

Investment policy

The trustees have an investment policy, which is agreed with Evelyn Partners (previously Smith & Williamson), 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 Consumer Price Index (CPI) plus 3.75%, net of fees, over a five year rolling period, with the minimum annual income yield being 2.5% of the value of the portfolio. A composite index is used to assess performance in the context of wider market conditions.

Investment performance

The value of Starehe UK's investments at the end of December 2022 was £2,201,099 (2021: £2,404,065). An income of £60,237 (2021: £63,579) was generated during the year.

Just under 70% of the investment portfolio is invested in equities, with approximately two thirds being invested in overseas markets and the remainder in the UK. The equity portfolio is well diversified by industry and geographically with a focus on leading global businesses. The remainder of the portfolio is invested in a combination of bonds, infrastructure and commercial property. The bond element is invested in both sovereign and corporate debt, albeit with a bias towards short dated issues. The infrastructure investments are generally global in nature with a bias towards renewable energy. The bulk of the property exposure is through two property funds which are only available to charities and which are relatively conservatively invested within the UK.

The last year was a very challenging one for investors. In particular, sustained elevated levels of inflation, exacerbated by the Ukraine conflict, served to undermine confidence in the economic outlook and resulted in a substantial rise in interest rates particularly in developed economies. The impact was felt across asset markets, not just in equities. Indeed, whilst equity markets typically declined by 15% to 30% in local currency terms, 2022 also proved to be the worst year for UK Government bonds since 1974.

The Starehe portfolio recorded a return of -8.6% net of costs over the year. This compares to the benchmark return of -9.0% and a return of -10.6% for the ARC Steady Growth index. The ARC index provides a gauge for the performance of similar UK charity portfolios which are 60% to 80% invested in equities.

Starehe UK

Report of the trustees

For the year ended 31 December 2022

Since the year end, markets have improved in tandem with slowing inflation particularly in the US and a growing expectation that interest rates are now close to peak levels. Moreover, the global economic downturn is also looking less severe than most strategists anticipated just a couple of months ago. Nevertheless, there is still a question mark over how economies will evolve beyond the current downturn, without inflationary pressures building again towards the end of the year or in 2024. As such, whilst equities should provide attractive returns over the longer term in the wake of the de-rating suffered in 2022, Evelyn Partners have said that there is likely to be further turbulence as we go through the first half of this year.

Since Evelyn Partners started managing our investments nearly 8 years ago, the portfolio return has been in excess of the market benchmark and, until 2022, the CPI linked target return. The substantial rise in inflation last year coupled with the fall in markets has resulted in the portfolio return now slightly lagging CPI+3.75%, although this target is still seen as achievable over time.

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 the 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.

Starehe UK

Report of the trustees

For the year ended 31 December 2022

Plans for the future

At a time when many other sources of income for the schools have disappeared or been reduced and costs are increasing in Kenya, SUK trustees intend to make its 2023 transfer of funds as usual. Trustees are confident that SUK will remain a going concern and will continue to support the Starehe schools for the remainder of 2023 and the future.

In May 2023 the following transfers were made to the schools:

Starehe Girls' Centre:

- £18,700 of investment income to cover the sponsorship fees for 22 endowed student places for the 2023 calendar year;
- £10,726 of donations towards the fees of 28 sponsored students for the 2023 calendar year;
- £11,300 grant towards the general running costs of the school for the 2023 calendar year; and
- £850 towards the school and university fees for a previous winner of the Jonathan Feuer Citizenship Award. The award recognises the student who best reflects the Starehe values, including honesty, respect, hard work, reliability and a regard for the wellbeing of others.

Starehe Boys' Centre:

- £16,150 of investment income to cover the sponsorship fees for 20 endowed student places for the 2022 calendar year;
- £3,989 of donations towards the fees of 11 sponsored students for the 2023 calendar year; and
- £28,850 grant towards the general running costs of the school for the 2023 calendar year.

A second transfer of funds will be made later in the year to both schools after further SUK donations have accumulated.

For the 2023 academic year a new Competency Based Curriculum (CBC) was introduced in Kenya, the plan is for students to study the secondary school curriculum for six instead of four years. A general curriculum will be taught for the first three years before focusing on an Arts, Social Sciences or STEM pathway for the final three years. The CBC is intended to better prepare Kenya's youth to thrive in a changing world, by equipping students with the skills needed to drive economic growth in Kenya, and instil values that support peace and national unity.

Initially it was expected that students would move onto secondary school two years earlier, but for the current cohort of pupils at least, they will stay in their primary schools to study the first two years of the secondary curriculum.

Starehe UK

Report of the trustees

For the year ended 31 December 2022

Statement of responsibilities of the trustees

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees are 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;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- 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 Charity (Accounts and Reports) Regulations 2008 and the provisions of the constitution. 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 are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The trustees have no beneficial interest in the charity.

Independent examiners

Godfrey Wilson Limited were re-appointed as independent examiners to the charity during the period and have expressed their willingness to continue in that capacity.

Approved by the trustees on 16 May 2023 and signed on their behalf by

Tw Faithfull

Timothy Faithfull - Chairman

Independent examiner's report

To the trustees of

Starehe UK

I report to the trustees on my examination of the accounts of Starehe UK (the CIO) for the year ended 31 December 2022, which are set out on pages 12 to 24.

Responsibilities and basis of report

As the charity trustees of the CIO 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.

Alison Godfrey

Date: 18 May 2023

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 December 2022

	Note	Restricted £	Unrestricted £	2022 Total £	2021 Total £
Income from:					
Donations	3	-	5,059	5,059	4,731
Charitable activities	4	28,910	-	28,910	80,487
Investments		-	60,237	60,237	63,579
Total income		<u>28,910</u>	<u>65,296</u>	<u>94,206</u>	<u>148,797</u>
Expenditure on:					
Raising funds		-	19,090	19,090	23,124
Charitable activities		<u>33,116</u>	<u>76,674</u>	<u>109,790</u>	<u>211,991</u>
Total expenditure	5	<u>33,116</u>	<u>95,764</u>	<u>128,880</u>	<u>235,115</u>
Net expenditure before investment gains		(4,206)	(30,468)	(34,674)	(86,318)
Net gains / (losses) on investments		-	<u>(257,255)</u>	<u>(257,255)</u>	<u>251,247</u>
Net movement in funds	7	(4,206)	(287,723)	(291,929)	164,929
Reconciliation of funds:					
Total funds brought forward		<u>1,513,240</u>	<u>1,014,645</u>	<u>2,527,885</u>	<u>2,362,956</u>
Total funds carried forward		<u><u>1,509,034</u></u>	<u><u>726,922</u></u>	<u><u>2,235,956</u></u>	<u><u>2,527,885</u></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 14 to the accounts.

Starehe UK

Balance sheet

As at 31 December 2022

	Note	£	2022 £	2021 £
Fixed assets				
Investments	10		<u>2,201,099</u>	<u>2,404,065</u>
			2,201,099	2,404,065
Current assets				
Debtors	11	2,955		9,057
Cash at bank and in hand		<u>57,525</u>		<u>122,533</u>
		60,480		131,590
Liabilities				
Creditors: amounts falling due within 1 year	12	<u>25,623</u>		<u>7,770</u>
Net current assets			<u>34,857</u>	<u>123,820</u>
Net assets	13		<u><u>2,235,956</u></u>	<u><u>2,527,885</u></u>
Funds	14			
Restricted funds			1,509,034	1,513,240
Unrestricted funds:				
General funds			<u>726,922</u>	<u>1,014,645</u>
Total charity funds			<u><u>2,235,956</u></u>	<u><u>2,527,885</u></u>

Approved by the trustees on 16 May 2023 and signed on their behalf by

Tw Faithfull

Timothy Faithfull - Chairman

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 2019) - (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. The charity held unrestricted, general reserves of £726,922, and a cash balance of £57,525 as at 31 December 2022. The trustees consider that the charity has sufficient cash reserves to continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved.

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) 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.

e) 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.

f) 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.

Notes to the financial statements

For the year ended 31 December 2022

1. Accounting policies (continued)

g) Allocation of support and governance costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Governance costs are the costs associated with the governance arrangements of the charity, including the costs of complying with constitutional and statutory requirements and any costs associated with the strategic management of the charity's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities on the following basis:

	2022	2021
Charitable activities	80%	80%
Raising funds	20%	20%

h) 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 period end as the difference between the closing market value and the opening market value or purchase value during the period.

l) 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.

j) 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.

k) 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.

l) 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.

m) Grants payable

Grants payable are charged in the period 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.

1. Accounting policies (continued)

n) Foreign currency transactions

Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Balances denominated in foreign currencies are translated at the rate of exchange prevailing at the year end.

o) Accounting estimates and key judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In the year to 31 December 2022 no key sources of estimation uncertainty had a significant effect on the amounts recognised in the financial statements.

Starehe UK

Notes to the financial statements

For the year ended 31 December 2022

2. Statement of financial activities - prior period comparative

	Restricted £	Unrestricted £	2021 Total £
Income from:			
Donations	-	4,731	4,731
Charitable activities	80,487	-	80,487
Investments	-	63,579	63,579
Total income	80,487	68,310	148,797
Expenditure on:			
Raising funds	-	23,124	23,124
Charitable activities	50,552	161,439	211,991
Total expenditure	50,552	184,563	235,115
Net income / (expenditure) before investment gains	29,935	(116,253)	(86,318)
Net gains on investments	-	251,247	251,247
Net movement in funds	29,935	134,994	164,929

3. Donations

	2022 Total £	2021 Total £
Individual Donations With Gift Aid	3,764	3,864
Individual Donations Without Gift Aid	1,195	697
Overseas Donations	100	170
	5,059	4,731

All income from donations in the current and prior period was unrestricted.

Starehe UK

Notes to the financial statements

For the year ended 31 December 2022

4. Charitable activities

	2022 Total £	2021 Total £
Bursaries	125	30,125
Starehe Boys School		
Capital Projects	2,313	8,981
Sponsorships	3,737	3,737
Overseas Capital Projects	731	5,147
Overseas Sponsorships	3,127	4,414
Old Starehian Society UK	75	308
Starehe Girls School		
Capital Projects	475	6,269
Sponsorships	17,521	13,969
Overseas Capital Projects	731	3,094
Overseas Sponsorships	-	4,135
Old Starehian Society UK	75	308
Total charitable activities	<u>28,910</u>	<u>80,487</u>

All income from charitable activities in the current and prior period was restricted.

5. Total expenditure

	Raising funds £	Charitable activities £	Support and governance costs £	2022 Total £
Grants payable to partners (note 6)	-	108,117	-	108,117
Freelance workers	-	3,342	3,342	6,684
General office expenditure	-	-	360	360
Bank charges	137	-	-	137
Investment charges	19,371	-	-	19,371
Exchange rate (gain) / loss	-	-	(8,549)	(8,549)
Accountancy and professional fees	-	-	2,760	2,760
Sub-total	19,508	111,459	(2,087)	128,880
Allocation of support and governance costs	(418)	(1,669)	2,087	-
Total expenditure	<u>19,090</u>	<u>109,790</u>	<u>-</u>	<u>128,880</u>

Governance costs in the year were £2,760 (2021: £2,610).

Starehe UK

Notes to the financial statements

For the year ended 31 December 2022

5. Total expenditure - prior period comparative

	Raising funds £	Charitable activities £	Support and governance costs £	2021 Total £
Grants payable to partners (note 6)	-	200,108	-	200,108
Freelance workers	-	3,813	6,687	10,500
Fundraising costs	544	-	-	544
General office expenditure	-	-	791	791
Bank charges	247	-	-	247
Investment charges	20,315	-	-	20,315
Accountancy and professional fees	-	-	2,610	2,610
Sub-total	21,106	203,921	10,088	235,115
Allocation of support and governance costs	2,018	8,070	(10,088)	-
Total expenditure	23,124	211,991	-	235,115

6. Grants payable

	2022 £	2021 £
Grant to Starehe Boys' Centre	56,062	111,970
Grant to Starehe Girls' Centre	52,055	88,138
Total	108,117	200,108

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

7. Net movement in funds

This is stated after charging:

	2022 £	2021 £
Trustees' remuneration	Nil	Nil
Trustees' reimbursed expenses	Nil	320
Independent examiner's fees	2,760	2,610

No trustees were reimbursed during the current year. In the prior year one trustee was reimbursed £100 for fundraising costs and £220 for IT costs.

Notes to the financial statements

For the year ended 31 December 2022

8. 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 period. The Charity Manager was paid fees of £6,685 during the year (2021: £7,625).

9. Taxation

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

10. Listed investments

	2022 £	2021 £
Market value at 1 January 2022	2,404,065	2,273,315
Additions	694,428	481,169
Disposals proceeds	(640,139)	(601,666)
Realised gains / (losses)	(44,680)	33,673
Unrealised gains / (losses)	(212,575)	217,574
Market value at 31 December 2022	<u>2,201,099</u>	<u>2,404,065</u>
Historical cost:		
At 31 December 2022	<u>2,067,878</u>	<u>1,931,208</u>

11. Debtors

	2022 £	2021 £
Accrued income	2,640	9,057
Trade debtors	315	-
	<u>2,955</u>	<u>9,057</u>

12. Creditors : amounts due within 1 year

	2022 £	2021 £
Accruals	<u>25,623</u>	<u>7,770</u>

Starehe UK

Notes to the financial statements

For the year ended 31 December 2022

13. Analysis of net assets between funds

	Restricted funds £	Unrestricted funds £	Total funds £
Investments	1,509,034	692,065	2,201,099
Current assets	-	60,480	60,480
Current liabilities	-	(25,623)	(25,623)
Net assets at 31 December 2022	<u>1,509,034</u>	<u>726,922</u>	<u>2,235,956</u>

Prior period comparative

	Restricted funds £	Unrestricted funds £	Total funds £
Investments	1,513,240	890,825	2,404,065
Current assets	-	131,590	131,590
Current liabilities	-	(7,770)	(7,770)
Net assets at 31 December 2021	<u>1,513,240</u>	<u>1,014,645</u>	<u>2,527,885</u>

Starehe UK

Notes to the financial statements

For the year ended 31 December 2022

14. Movements in funds

	At 1 January 2022 £	Income £	Expenditure £	Investment gains / (losses) £	At 31 December 2022 £
Restricted funds					
Capital Projects - Girls' Centre	824	1,206	(1,653)	-	377
Capital Projects - Boys' Centre	2,029	3,044	(1,653)	-	3,420
Aim High Appeal	868,991	-	-	-	868,991
StareheFuture Appeal	605,362	125	-	-	605,487
Sponsorship - Girls' Centre	29,959	17,596	(20,401)	-	27,154
Sponsorship - Boys' Centre	6,075	6,939	(9,409)	-	3,605
Total restricted funds	<u>1,513,240</u>	<u>28,910</u>	<u>(33,116)</u>	<u>-</u>	<u>1,509,034</u>
Unrestricted funds					
General funds	<u>1,014,645</u>	<u>65,296</u>	<u>(95,764)</u>	<u>(257,255)</u>	<u>726,922</u>
Total unrestricted funds	<u>1,014,645</u>	<u>65,296</u>	<u>(95,764)</u>	<u>(257,255)</u>	<u>726,922</u>
Total funds	<u><u>2,527,885</u></u>	<u><u>94,206</u></u>	<u><u>(128,880)</u></u>	<u><u>(257,255)</u></u>	<u><u>2,235,956</u></u>

Starehe UK

Notes to the financial statements

For the year ended 31 December 2022

14. Movements in funds (continued) - prior period comparative

	At 1 January 2021 £	Income £	Expenditure £	Investment gains / (losses) £	At 31 December 2021 £
Restricted funds					
Capital Projects - Girls' Centre	1,331	9,363	(9,870)	-	824
Capital Projects - Boys' Centre	978	14,129	(13,078)	-	2,029
Aim High Appeal	868,991	-	-	-	868,991
StareheFuture Appeal	575,237	30,125	-	-	605,362
Sponsorship - Girls' Centre	30,037	18,411	(18,489)	-	29,959
Sponsorship - Boys' Centre	6,731	8,459	(9,115)	-	6,075
Total restricted funds	<u>1,483,305</u>	<u>80,487</u>	<u>(50,552)</u>	<u>-</u>	<u>1,513,240</u>
Unrestricted funds					
General funds	<u>879,651</u>	<u>68,310</u>	<u>(184,563)</u>	<u>251,247</u>	<u>1,014,645</u>
Total unrestricted funds	<u>879,651</u>	<u>68,310</u>	<u>(184,563)</u>	<u>251,247</u>	<u>1,014,645</u>
Total funds	<u><u>2,362,956</u></u>	<u><u>148,797</u></u>	<u><u>(235,115)</u></u>	<u><u>251,247</u></u>	<u><u>2,527,885</u></u>

14. Movements in funds (continued) - purpose of restricted funds

Capital Projects - 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	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	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. 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.
Sponsorship - Girls' Centre	To fund sponsored places at Starehe Girls' Centre.
Sponsorship - Boys' Centre	To fund sponsored places at Starehe Boys' Centre.

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 period.

16. Financial instruments at fair value

	2022	2021
	£	£
Financial assets measured at fair value	<u>2,201,099</u>	<u>2,404,065</u>

Financial assets measured at fair value comprise listed investments.

STAREHE UK

England & Wales - Charity number 1158079

Accounts



Starehe UK
Report and Unaudited Financial
Statements
31 December 2021

Starehe UK

2021 Headline Figures

For the year ended 31 December 2021

In 2021 SUK supported the Starehe Boys' and Starehe Girls' Centres as follows:

41

Starehe students were sponsored by
SUK supporters

40

Starehe students were supported by
SUK forever bursaries

12

Starehe students supported by SUK
graduated

11

SUK supported graduates reached
the academic standard for university
admittance

2

new endowed bursary places were
funded by SUK supporters

12

new student sponsorships were taken
out by SUK supporters

£118,028

was transferred to the Starehe
schools towards school fees and
general running costs

£82,080

was transferred to the Starehe
schools for Covid support

Starehe UK

Reference and administrative details

For the year ended 31 December 2021

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 period and up to the date of this report were as follows: Timothy Faithfull Chair David Kisiaky Treasurer Vane Aminga Lord Valentine Cecil Geraldine McKibbin Frank Midega Keith Price Helen Varma Mark Webb Paul Whitehouse
Administrative support	Joanne Knight (Charity Manager) Margaret Shaylor (Accountancy Support)
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 December 2021

The trustees present their report and the examined financial statements for the 12 month period ended 31 December 2021 for Starehe UK (SUK).

Reference and administrative information is set out on page 2 and 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 2019).

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 kept informed about activities at the schools and SUK via SUK's website, electronic newsletters and social media. Part-time administrative support was provided during the period 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 charity governance and bookkeeping. Accountancy support is provided voluntarily by Margaret Shaylor a few hours each month.

Trustees

The trustees who have served throughout the period are shown on page 2. 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.

Starehe UK

Report of the trustees

For the year ended 31 December 2021

David Kisiaky, an Old Starehian resident in the UK, was appointed as a trustee in 2008, and has been Treasurer since 2012. Frank Midega and Vane Aminga were also appointed as trustees, in December 2018 and April 2020 respectively, to further maintain SUK's connection with the schools.

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 low income 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 children from low income families or who have been orphaned. Donors are assigned as a sponsor for one or more named pupils and receive termly school reports and letters from their sponsored student(s). The schools receive up to £850 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 (a 'forever' sponsorship) 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; and
- 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 period.

Achievements and performance

The impact of Covid

Throughout 2021 the Starehe Schools continued to run smoothly even in the midst of all the challenges caused by the pandemic.

Both Starehe Girls and Boys schools closed in March 2020 following the Kenyan Government's directive in response to the Covid pandemic, and while most students were sent to their families or guardians those who are orphans remained in the care of the schools. Form 4 (final year) Starehe pupils returned to school on 12 October 2020 to prepare for their Kenyan Certificate of Secondary Education examinations which were deferred from November 2020 to April 2021. Despite staff shortages and with a phenomenal effort by all teachers and pupils, 95% of the 2021 Starehe graduates gained direct admission to public universities to pursue degree courses while 5% will join tertiary institutions for diploma courses.

Starehe UK

Report of the trustees

For the year ended 31 December 2021

Forms 1 to 3 returned to the Starehe schools on 4 January 2021 after a 9-month absence. Most students had a challenging time whilst schools were closed with many having to work to feed themselves and unable to continue with their studies because of lack of technology and internet access. With the extra funding from Starehe UK both schools were able to implement Covid protocols, ensuring their students and staff remained safe and the students' mental and emotional well-being was supported by teachers, the school counsellors and the alumni.

Usually the academic year in Kenya runs from January to December; however to compensate for school closures in 2020 all Kenyan schools are running 4 compressed terms during 2021 and 2022, so that each academic year will still include 3 terms. The new 2021 Form 1 students who would normally have started their secondary education in January started in July 2021. The year was challenging for both teachers and students who had to work incredibly hard to be able to cover the syllabus within the schedule set by the Ministry of Education.

Sponsorship funds distributed by SUK between 1 January 2021 and 31 December 2021 contributed towards the schools' costs for 2021, including the additional measures put in place in response to the Covid pandemic.

Stronger Starehe Schools Covid appeal

In April 2021 Starehe UK launched an appeal to its existing supporters via email newsletters and social media to raise funds towards the additional costs incurred by the schools to provide a Covid-safe learning environment for students and staff. This included additional handwashing stations, enhanced cleaning and supply of Personal Protective Equipment (PPE). In addition to implementing enhanced hygiene protocols, the schools also employed additional counsellors to support the students' mental health. The appeal was generously embraced by our supporters and raised £7,954.

Additional investment withdrawal

Funds from SUK's investments are usually withdrawn annually (£75,000) and transferred to the schools in March to cover the sponsorship fees for the named bursary places ('forever sponsorships') and to make a contribution to general running costs. In recognition that the schools were financially challenged during 2021 due to the combination of losing much of their regular income in 2020/21 and facing additional costs, trustees decided to make an additional withdrawal of a second £75,000 in June 2021 from the SUK's investments to help the schools cover their essential expenditure.

Support provided to Starehe Girls' Centre

- SUK contributed £35,490 (2020: £35,223) towards 48 (2020: 42) named places for girls from deprived backgrounds to live and study at Starehe Girls' Centre during 2021. Of these students, 22 were funded via endowed places, and 26 by regular sponsor donations. 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 contributed £48,258 (2020: £15,896) towards the general running costs of the Starehe Girls' Centre during 2021, helping to support the education of 720 girls, of whom 67% are from low income communities and rely on charity sponsorship to cover their full care and education costs while 33% have some means to meet all or part of their school fees;

Starehe UK

Report of the trustees

For the year ended 31 December 2021

- SUK paid £850 towards the school and university fees for a previous winner of the Jonathan Feuer Citizenship Award. The award recognises the student who best reflects Starehe's values, including honesty, respect, hard work, reliability and a regard for the wellbeing of others. Whilst the school was closed for most of 2020 it was not possible for the usual school-wide elections to take place, so the 2020 competition took place in March 2021 and the 2021 competition will take place in early 2022. Usually the prize includes payment of the winner's final year school fees and a contribution towards her university or college fees; and
- SUK paid £3,540 to help the school provide a Covid safe learning environment for students and staff.

Support provided to Starehe Boys' Centre

- SUK contributed £24,002 (2020: £21,466) towards 33 (2020: 25) sponsored places for boys from low income communities to live and study at Starehe Boys' Centre during 2021. Of these students, 18 were funded via endowed places ('forever sponsorships'), and 15 by regular sponsor donations. As well as giving these students a first class education, the school provides a safe home for boys during term time and school holidays if required;
- SUK contributed £84,428 (2020: £30,597) towards the general running costs of the Starehe Boys' Centre during 2021, helping to support the education of over 1,100 students, of whom 70% are from low income communities and rely on charity sponsorship to cover their full care and education costs while 30% have some means to meet all or part of their school fees; and
- SUK paid £3,540 to help the school provide a Covid safe learning environment for students and staff.

As well as pursuing their academic studies, the students would usually undertake many extracurricular activities, which include music events, debating, sports contests and the Starehe Centres have their own scout troops. These activities were impacted by the need to follow Covid protocols, but some activities such as scouting, sports and band practice were able to run outdoors during 2021.

Starehe UK fundraising

During the year ended 31 December 2021, the SUK's total incoming resources were £148,797 (2020: £103,788), of which £85,218 (2020: £33,985) was from donations and £63,579 (2020: £69,803) from growth and income from investments.

Overall between 1 January 2021 and 31 December 2021, SUK disbursed £200,108 (2020: £103,182) to the two schools as follows:

- £850 (2020: £274) from funds restricted to specific projects;
- £49,258 (2020: £28,182) from sponsorship and other donations; and
- £150,000 (2020: £75,000) from the yield on the funds raised by the Aim High and Starehe Future Appeals, including donations for bursary endowments for student places (restricted 'forever' sponsorships) 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 2021 calendar year.

Starehe UK

Report of the trustees

For the year ended 31 December 2021

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

- Oliver Adams, Malcolm Lockhart and Peter Kariuki for committing to sponsor new Form 1 students at Starehe Boys' Centre;
- Nicola Hart, Simon Brister, Ravin Jethwa, Louise Brooks, Kristin and Mike Maczko for committing to sponsor new Form 1 students at Starehe Girls' Centre;
- Theodora and Julian Stanning for endowing an additional bursary place at both the Starehe Girls' and Boys' Centres;
- Members of the Old Starehian Society: John Kibugi for running the Brighton and London marathons and Alexandra Obonyo for running the London marathon, to raise funds for both schools;
- Ayaan Hirsi Ali for running a crowdfunding campaign for the Starehe Boys' Centre;
- Jonathan Feuer for his continuing support of the Jonathan Feuer Citizenship Award at the Starehe Girls' Centre;
- Next plc and all supporters who contributed to our Stronger Starehe Schools Covid appeal.

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

Financial review

Sources of funding

The charity's investment funds have been secured through two major appeals in the UK. The 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 these past appeals, SUK receives regular ongoing donations from individuals and organisations. These donations are either restricted for student sponsorship or to support just one of the schools with its running costs, 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 2021 the investment income was allocated in the ratio 60:40 to Starehe Boys' Centre and Starehe Girls' Centre respectively. This ratio reflects the different size of the schools and their needs.

Starehe UK

Report of the trustees

For the year ended 31 December 2021

Financial position

There was a net deficit before investment gains for the 12 month period of £86,318. After accounting for the increase on investments of £251,247 arising from the revaluation of investments held at 31 December 2021 to market value, the total net increase in the funds for the period is £164,929.

Investment policy

The trustees have an investment policy, which is agreed with Smith & Williamson, 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 Consumer Price Index (CPI) plus 4.25%, net of fees, over a five year rolling period, with the minimum annual income yield being 2.5% of the value of the portfolio. A composite index is used to assess performance in the context of wider market conditions.

Investment performance

The value of Starehe UK's investments at the end of December 2021 was £2,404,065 (2020: £2,273,315). An income of £63,579 (2020: £69,803) was generated during the year.

Approximately 70% of the investment portfolio is invested in equities. The direct equity portion is orientated towards robust, cash-generative companies which benefit from strong market-leading positions in multiple markets and offer relatively high dividend yields. 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.

In the wake of the sharp downturn in economies in the previous year, the global economy enjoyed a significant recovery in 2021 on the back of huge stimulus from both governments and central banks, whilst the disruption from the pandemic eased. This improving backdrop underpinned renewed confidence in asset markets. Equities in particular benefitted as company earnings for the most part enjoyed a swift recovery. Bond markets, on the other hand, performed less well as inflation surged to multi-decade highs in key economies notably the US, UK and Eurozone.

The SUK investment portfolio generated a return, net of costs, of 13.1% in 2021, benefitting from strength in equity markets, with this asset representing approximately two thirds of the underlying portfolio by value. Over the same timeframe the market benchmark rose 16.2%.

The portfolio has generated a return significantly in excess of the target return of CPI plus 4.25% since Smith & Williamson began managing the investments just under 7 years ago.

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.

Starehe UK

Report of the trustees

For the year ended 31 December 2021

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

At a time when many other sources of income for the schools have disappeared or been reduced and costs are increasing in Kenya, SUK trustees intend to make its 2022 transfer of funds as usual. Trustees are confident that SUK will remain a going concern and will continue to support the Starehe schools for the remainder of 2022 and the future.

In April 2022 the following transfers were made to the schools:

Starehe Girls' Centre:

- £17,850 of investment income to cover the sponsorship fees for 22 endowed student places for the 2022 calendar year;
- £8,674 of donations towards the fees of 23 sponsored students for the 2022 calendar year; and
- £13,333 grant towards the general running costs of the school for the 2022 calendar year.

Starehe Boys' Centre:

- £14,875 of investment income to cover the sponsorship fees for 20 endowed student places for the 2022 calendar year;
- £5,471 of donations towards the fees of 16 sponsored students for the 2022 calendar year; and
- £31,308 grant towards the general running costs of the school for the 2022 calendar year.

A second transfer of funds will be made later in the year to both schools after further SUK donations have accumulated.

Starehe UK

Report of the trustees

For the year ended 31 December 2021

Statement of responsibilities of the trustees

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees are 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;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- 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 Charity (Accounts and Reports) Regulations 2008 and the provisions of the constitution. 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 are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The trustees have no beneficial interest in the charity.

Independent examiners

Godfrey Wilson Limited were re-appointed as independent examiners to the charity during the period and have expressed their willingness to continue in that capacity.

Approved by the trustees on 20 May 2022 and signed on their behalf by

Timothy W Faithfull

Timothy Faithfull - Chairman

Independent examiner's report

To the trustees of

Starehe UK

I report to the trustees on my examination of the accounts of Starehe UK (the CIO) for the year ended 31 December 2021, which are set out on pages 12 to 24.

Responsibilities and basis of report

As the charity trustees of the CIO 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.

Alison Godfrey

Date: 22 May 2022

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 December 2021

	Note	Restricted £	Unrestricted £	2021 Total £	2020 Total £
Income from:					
Donations	3	-	4,731	4,731	6,537
Charitable activities	4	80,487	-	80,487	27,448
Investments		-	63,579	63,579	69,803
Total income		<u>80,487</u>	<u>68,310</u>	<u>148,797</u>	<u>103,788</u>
Expenditure on:					
Raising funds		-	23,124	23,124	19,105
Charitable activities		<u>50,552</u>	<u>161,440</u>	<u>211,992</u>	<u>109,723</u>
Total expenditure	5	<u>50,552</u>	<u>184,563</u>	<u>235,115</u>	<u>128,828</u>
Net income / (expenditure) before investment gains		29,935	(116,253)	(86,318)	(25,040)
Net gains / (losses) on investments		-	<u>251,247</u>	<u>251,247</u>	<u>(54,706)</u>
Net movement in funds	13	29,935	134,994	164,929	(79,746)
Reconciliation of funds:					
Total funds brought forward		<u>1,483,305</u>	<u>879,651</u>	<u>2,362,956</u>	<u>2,442,702</u>
Total funds carried forward		<u><u>1,513,240</u></u>	<u><u>1,014,645</u></u>	<u><u>2,527,885</u></u>	<u><u>2,362,956</u></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 14 to the accounts.

Starehe UK**Balance sheet****As at 31 December 2021**

	Note	£	2021 £	2020 £
Fixed assets				
Investments	10		<u>2,404,065</u>	<u>2,273,315</u>
			2,404,065	2,273,315
Current assets				
Debtors	11	9,057		3,747
Cash at bank and in hand		<u>122,533</u>		<u>93,689</u>
		131,590		97,436
Liabilities				
Creditors: amounts falling due within 1 year	12	<u>7,770</u>		<u>7,795</u>
Net current assets			<u>123,820</u>	<u>89,641</u>
Net assets	13		<u><u>2,527,885</u></u>	<u><u>2,362,956</u></u>
Funds	14			
Restricted funds			1,513,240	1,483,305
Unrestricted funds:				
General funds			<u>1,014,645</u>	<u>879,651</u>
Total charity funds			<u><u>2,527,885</u></u>	<u><u>2,362,956</u></u>

Approved by the trustees on 20 May 2022 and signed on their behalf by

Timothy W Faithfull

Timothy Faithfull - Chairman

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 2019) - (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. The charity held unrestricted, general reserves of £1,014,645, and a cash balance of £122,533 as at 31 December 2021. The trustees consider that the charity has sufficient cash reserves to continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved.

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) 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.

e) 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.

f) 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.

Notes to the financial statements

For the year ended 31 December 2021

1. Accounting policies (continued)

g) Allocation of support and governance costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Governance costs are the costs associated with the governance arrangements of the charity, including the costs of complying with constitutional and statutory requirements and any costs associated with the strategic management of the charity's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities on the following basis:

	2021	2020
Charitable activities	80%	80%
Raising funds	20%	20%

h) 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 period end as the difference between the closing market value and the opening market value or purchase value during the period.

l) 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.

j) 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.

k) 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.

l) 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.

m) Grants payable

Grants payable are charged in the period 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.

Notes to the financial statements

For the year ended 31 December 2021

1. Accounting policies (continued)

n) Foreign currency transactions

Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Balances denominated in foreign currencies are translated at the rate of exchange prevailing at the year end.

o) Accounting estimates and key judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In the year to 31 December 2021 no key sources of estimation uncertainty had a significant effect on the amounts recognised in the financial statements.

Starehe UK

Notes to the financial statements

For the year ended 31 December 2021

2. Statement of financial activities - prior period comparative

	Restricted £	Unrestricted £	2020 Total £
Income from:			
Donations	-	6,537	6,537
Charitable activities	27,448	-	27,448
Investments	-	69,803	69,803
Total income	27,448	76,340	103,788
Expenditure on:			
Raising funds	-	19,105	19,105
Charitable activities	28,182	81,541	109,723
Total expenditure	28,182	100,646	128,828
Net expenditure before investment gains	(734)	(24,306)	(25,040)
Net losses on investments	-	(54,706)	(54,706)
Net expenditure	(734)	(79,012)	(79,746)
Transfers between funds	1,077	(1,077)	-
Net movement in funds	343	(80,089)	(79,746)

3. Donations - general

	Restricted £	Unrestricted £	2021 Total £	2020 Total £
Individual Donations With Gift Aid	-	3,864	3,864	4,258
Individual Donations Without Gift Aid	-	697	697	1,880
Overseas Donations	-	170	170	399
	-	4,731	4,731	6,537

All income from donations in the prior period was unrestricted.

Starehe UK

Notes to the financial statements

For the year ended 31 December 2021

4. Charitable activities

	Restricted £	Unrestricted £	2021 Total £	2020 Total £
Bursaries	30,125	-	30,125	125
Starehe Boys School				
Capital Projects	8,981	-	8,981	1,449
Sponsorships	3,737	-	3,737	5,834
Overseas Capital Projects	5,147	-	5,147	-
Overseas Sponsorships	4,414	-	4,414	2,211
Old Starehian Society UK	308	-	308	660
Starehe Girls School				
Capital Projects	6,269	-	6,269	3,803
Sponsorships	13,969	-	13,969	12,706
Overseas Capital Projects	3,094	-	3,094	-
Overseas Sponsorships	4,135	-	4,135	-
Old Starehian Society UK	308	-	308	660
Total charitable activities	<u>80,487</u>	<u>-</u>	<u>80,487</u>	<u>27,448</u>

All income from charitable activities in the prior period was restricted.

5. Total expenditure

	Raising funds £	Charitable activities £	Support and governance costs £	2021 Total £
Grants payable to partners (note 6)	-	200,108	-	200,108
Freelance workers	-	3,813	6,687	10,500
Fundraising costs	544	-	-	544
General office expenditure	-	-	791	791
Bank charges	247	-	-	247
Investment charges	20,315	-	-	20,315
Accountancy and professional fees	-	-	2,610	2,610
Sub-total	21,106	203,921	10,088	235,115
Allocation of support and governance costs	<u>2,018</u>	<u>8,071</u>	<u>(10,088)</u>	<u>-</u>
Total expenditure	<u>23,124</u>	<u>211,992</u>	<u>-</u>	<u>235,115</u>

Governance costs in the year were £2,610 (2020: £3,000).

Starehe UK

Notes to the financial statements

For the year ended 31 December 2021

5. Total expenditure - prior period comparative

	Raising funds £	Charitable activities £	Support and governance costs £	2020 Total £
Grants payable to partners (note 6)	-	103,182	-	103,182
Freelance workers	-	2,250	2,250	4,500
General office expenditure	-	-	114	114
Bank charges	140	-	-	140
Investment charges	17,892	-	-	17,892
Accountancy and professional fees	-	-	3,000	3,000
Sub-total	18,032	105,432	5,364	128,828
Allocation of support and governance costs	1,073	4,291	(5,364)	-
Total expenditure	19,105	109,723	-	128,828

6. Grants payable

	2021 £	2020 £
Grant to Starehe Boys' Centre	111,970	52,063
Grant to Starehe Girls' Centre	88,138	51,119
Total	200,108	103,182

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

7. Net movement in funds

This is stated after charging:

	2021 £	2020 £
Trustees' remuneration	Nil	Nil
Trustees' reimbursed expenses	320	Nil
Independent examiner's fees	2,610	3,000

One trustee was reimbursed £100 for fundraising costs and £220 for IT costs.

Notes to the financial statements

For the year ended 31 December 2021

8. 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 period. The Charity Manager was paid fees of £7,625 during the year (2020: £4,500).

9. Taxation

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

10. Listed investments

	2021 £	2020 £
Market value at 1 January 2021	2,273,315	2,371,354
Additions	481,169	1,011,808
Disposals proceeds	(601,666)	(1,055,141)
Realised gains / (losses)	33,673	(149,785)
Unrealised gains / (losses)	217,574	95,079
Market value at 31 December 2021	2,404,065	2,273,315
Historical cost:		
At 31 December 2021	1,931,208	2,023,041

11. Debtors

	2021 £	2020 £
Accrued income	9,057	3,303
Prepayments	-	444
	9,057	3,747

12. Creditors : amounts due within 1 year

	2021 £	2020 £
Accruals	7,770	7,795

Starehe UK

Notes to the financial statements

For the year ended 31 December 2021

13. Analysis of net assets between funds

	Restricted funds £	Unrestricted funds £	Total funds £
Investments	1,513,240	890,825	2,404,065
Current assets	-	131,590	131,590
Current liabilities	-	(7,770)	(7,770)
Net assets at 31 December 2021	<u>1,513,240</u>	<u>1,014,645</u>	<u>2,527,885</u>

Prior period comparative

	Restricted funds £	Unrestricted funds £	Total funds £
Investments	1,483,305	790,010	2,273,315
Current assets	-	97,436	97,436
Current liabilities	-	(7,795)	(7,795)
Net assets at 31 December 2020	<u>1,483,305</u>	<u>879,651</u>	<u>2,362,956</u>

Starehe UK

Notes to the financial statements

For the year ended 31 December 2021

14. Movements in funds

	At 1 January 2021 £	Income £	Expenditure £	Investment gains / (losses) £	At 31 December 2021 £
Restricted funds					
Capital Projects - Girls' Centre	1,331	9,363	(9,870)	-	824
Capital Projects - Boys' Centre	978	14,129	(13,078)	-	2,029
Aim High Appeal StareheFuture Appeal	868,991	-	-	-	868,991
Sponsorship - Girls' Centre	575,237	30,125	-	-	605,362
Sponsorship - Boys' Centre	30,037	18,411	(18,489)	-	29,959
	<u>6,731</u>	<u>8,459</u>	<u>(9,115)</u>	<u>-</u>	<u>6,075</u>
Total restricted funds	<u>1,483,305</u>	<u>80,487</u>	<u>(50,552)</u>	<u>-</u>	<u>1,513,240</u>
Unrestricted funds					
General funds	<u>879,651</u>	<u>68,310</u>	<u>(184,563)</u>	<u>251,247</u>	<u>1,014,645</u>
Total unrestricted	<u>879,651</u>	<u>68,310</u>	<u>(184,563)</u>	<u>251,247</u>	<u>1,014,645</u>
Total funds	<u><u>2,362,956</u></u>	<u><u>148,797</u></u>	<u><u>(235,115)</u></u>	<u><u>251,247</u></u>	<u><u>2,527,885</u></u>

Starehe UK

Notes to the financial statements

For the year ended 31 December 2021

14. Movements in funds (continued) - prior period comparative

	At 1 January 2020 £	Income £	Expenditure £	Investment gains / (losses) £	Transfers between funds £	At 31 December 2020 £
Restricted funds						
Capital Projects - Girls' Centre	1,000	3,803	(3,472)	-	-	1,331
Capital Projects - Boys' Centre	-	1,450	(472)	-	-	978
Aim High Appeal StareheFuture Appeal	868,991	-	-	-	-	868,991
Sponsorship - Girls' Centre	575,112	125	-	-	-	575,237
Sponsorship - Boys' Centre	34,318	13,366	(17,647)	-	-	30,037
	<u>3,541</u>	<u>8,704</u>	<u>(6,591)</u>	<u>-</u>	<u>1,077</u>	<u>6,731</u>
Total restricted funds	<u>1,482,962</u>	<u>27,448</u>	<u>(28,182)</u>	<u>-</u>	<u>1,077</u>	<u>1,483,305</u>
Unrestricted funds						
General funds	<u>959,740</u>	<u>76,340</u>	<u>(100,646)</u>	<u>(54,706)</u>	<u>(1,077)</u>	<u>879,651</u>
Total unrestricted	<u>959,740</u>	<u>76,340</u>	<u>(100,646)</u>	<u>(54,706)</u>	<u>(1,077)</u>	<u>879,651</u>
Total funds	<u><u>2,442,702</u></u>	<u><u>103,788</u></u>	<u><u>(128,828)</u></u>	<u><u>(54,706)</u></u>	<u><u>-</u></u>	<u><u>2,362,956</u></u>

Starehe UK

Notes to the financial statements

For the year ended 31 December 2021

14. Movements in funds (continued) - purpose of restricted funds

Capital Projects - 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	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	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. 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.
Sponsorship - Girls' Centre	To fund sponsored places at Starehe Girls' Centre.
Sponsorship - Boys' Centre	To fund sponsored places at Starehe Boys' Centre.

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 period.

16. Financial instruments at fair value

	2021	2020
	£	£
Financial assets measured at fair value	<u>2,404,065</u>	<u>2,273,315</u>

Financial assets measured at fair value comprise listed investments.

20 May 2022

Alison Godfrey
Godfrey Wilson Limited
Chartered Accountants & Statutory Auditors
5th Floor Mariner House
62 Prince Street
Bristol
BS1 4QD

Dear Alison

Letter of Representations on the Financial Statements for the Year Ended 31 December 2021

We confirm that the following representations are made on the basis of enquiries of the trustees, management and staff with relevant knowledge and experience (and, where appropriate, of inspection of supporting documentation) sufficient to satisfy ourselves that we can properly make each of the following representations to you:

1. We have fulfilled our responsibilities as trustees, as set out in the terms of your engagement letter dated 11 February 2020, under the Charities Act 2011 for preparing financial statements, in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

We confirm that in our opinion the financial statements give a true and fair view and in particular that where any additional information must be disclosed in order to give a true and fair view that information has in fact been disclosed. We confirm that the selection and application of the accounting policies used in the preparation of the financial statements are appropriate, and we approve these accounts for the year ended 31 December 2021.

2. We confirm that all accounting records have been made available to you for the purpose of your examination, in accordance with your terms of engagement, and that all the transactions undertaken by the charity have been properly reflected and recorded in the accounting records. All other records and related information, including minutes of all management, trustees' and members' meetings, have been made available to you. We have given you unrestricted access to persons within the charity in order to obtain evidence and have provided any additional information that you have requested for the purposes of your examination.
3. We confirm the charity has satisfactory title to all assets and there are no liens or encumbrances on the assets, except for those disclosed in the financial statements.
4. We confirm that significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable. We confirm that we have no plans or intentions that may materially alter the carrying value and where relevant the fair value

measurements or classification of assets and liabilities reflected in the financial statements.

5. We confirm that the charity has no liabilities or contingent liabilities other than those disclosed in the financial statements.
6. We confirm that all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to you and accounted for and disclosed in accordance with the applicable financial reporting framework.
7. We confirm that there have been no events since the balance sheet date which require disclosing or which would materially affect the amounts in the financial statements, other than those already disclosed or included in the financial statements.
8. We confirm that we are aware that a related party of the charity is a person or organisation which either (directly or indirectly) controls, has joint control of, or significantly influences the charity or vice versa and as a result will include: trustees, other key management, close family and other business interests of the previous. We confirm that all related party relationships and transactions have been accounted for and disclosed in accordance with the applicable financial reporting framework.
9. We confirm that the charity neither had, at any time during the year, any arrangement, transaction or agreement to provide credit facilities (including advances and credits granted by the charity) for trustees, nor provided guarantees of any kind on behalf of the trustees except as disclosed in the financial statements.
10. We confirm that the charity has not contracted for any capital expenditure other than as disclosed in the financial statements.
11. We confirm that the charity has complied with all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance.
12. We confirm that we are not aware of any possible or actual instance of non-compliance with those laws and regulations which provide a legal framework within which the charity conducts its activities and which are central to the charity's ability to conduct its activities, except as explained to you and as disclosed in the financial statements.
13. We acknowledge our responsibility for the design, implementation and maintenance of internal controls to prevent and detect fraud. We confirm that we have disclosed to you the results of our risk assessment of the risk of fraud in the organisation. There have been no deficiencies in internal control of which we are aware.
14. We confirm that there have been no actual or suspected instances of fraud involving trustees, management or employees who have a significant role in internal control or that could have a material effect on the financial statements. We also confirm that we are not aware of any allegations of fraud by trustees, former trustees, employees, former employees, regulators or others.
15. We confirm that, in our opinion, the charity's financial statements should be prepared on the going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the charity's needs. In reaching this conclusion, we have taken into account all relevant matters of which we are aware, and have considered a period of at least one year from the date on which the financial statements will be approved.

16. We confirm that in our opinion the effects of uncorrected misstatements are immaterial, both individually and in aggregate, to the financial statements as a whole.
17. We confirm that we are not aware of any matters of material significance that should be reported to regulators. We confirm that all correspondence with the Charity Commission has been made available to you.
18. We confirm that all grants, donations and other income, including those subject to special terms or conditions or received for restricted purposes, have been notified to you. There have been no breaches of terms or conditions during the period regarding the application of such income.

Yours sincerely

Timothy W Faithfull

Timothy Faithfull - Chairman

For and on behalf of the trustees of Starehe UK

STAREHE UK

England & Wales - Charity number 1158079

Accounts

Starehe UK
Report and Unaudited Financial
Statements
31 December 2020

Starehe UK

Reference and administrative details

For the year ended 31 December 2020

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 period and up to the date of this report were as follows: Timothy Faithfull Chair David Kisiaky Treasurer Vane Aminga (from 1 April 2020) Lord Valentine Cecil Geraldine McKibbin Frank Midega Keith Price Helen Varma Mark Webb Paul Whitehouse
Administrative support	Joanne Knight (Charity Manager) Margaret Shaylor (Accountancy Support)
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 December 2020

The trustees present their report and the examined financial statements for the year ended 31 December 2020 for Starehe UK (SUK).

Reference and administrative information as 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 2019).

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 kept informed about activities at the schools and SUK via SUK's website and electronic newsletters. Part-time administrative support was provided during the period 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 charity governance and bookkeeping. Accountancy support is provided voluntarily by Margaret Shaylor a few hours each month.

Trustees

The trustees who have served throughout the period 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 Starehian resident in the UK, was appointed as a trustee in 2008, and has been Treasurer since 2012. Frank Midega and Vane Aminga were also appointed as trustees, in December 2018 and April 2020 respectively, to further maintain SUK's connection with the schools.

Starehe UK

Report of the trustees

For the year ended 31 December 2020

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 £850 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 (a 'forever' sponsorship) 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; and
- 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 period.

Achievements and performance

Both Starehe Girls and Boys schools closed in March 2020 in response to the Kenyan Government's directive in response to the Covid-19 pandemic, and while most students were sent to their families or guardians those who are orphans remained in the care of the schools. Form 4 (final year) Starehe pupils returned to school on 12 October 2020 to prepare for their Kenyan Certificate of Secondary Education examinations which have been deferred from November 2020 to April 2021. Students in Forms 1 to 3 were finally allowed to return to school in January 2021 after a 9-month absence.

Whilst the Starehe schools were closed SUK continued to transfer the regular bursary and sponsorship payments on behalf of its supporters to the schools. This support enabled some school staff to continue to be employed and stay in contact with pupils to ensure they were able to receive food and any essential medical treatment whilst living back in their communities. All students supported by SUK come from disadvantaged backgrounds where many families have lost their income because of the pandemic or were unable to feed an extra child.

Usually the academic year in Kenya runs from January to December, however to compensate for school closures in 2020 all Kenyan schools will have 4 compressed terms during 2021 and 2022, so that each academic year will still include 3 terms. For example students who started Form 1 in January 2020, completed one term in early 2020 before schools closed and will then complete 2 further terms in 2021 before moving into Form 2 in July 2021.

Starehe UK

Report of the trustees

For the year ended 31 December 2020

Sponsorship funds distributed by SUK between 1 January 2020 and 31 December 2020 contributed towards the schools' costs for 2020. The schools are currently financially challenged due to the combination of losing much of their regular income in 2020 and the additional costs of ensuring a safe learning environment is in place for students and staff.

Funds from SUK's endowment income are usually transferred in March of each year.

Starehe Girls' Centre

- SUK contributed £35,223 (2019: £29,226) towards 42 (2019: 35) named places for girls from deprived backgrounds to live and study at Starehe Girls' Centre during 2020. 22 of these students were funded via endowed places, and 20 by regular sponsor donations. 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. However as explained above the students were not in school for the whole of 2020, but the school still incurred costs on their behalf;
- SUK contributed £15,896 (2019: £12,150) towards the general running costs of the Starehe Girls' Centre during 2020, helping to support the education of 480 students from deprived backgrounds who rely on charity sponsorship to cover their costs at Starehe Girls' Centre. A further 197 fee-paying pupils also attend the school; and
- SUK paid £274 towards the school and university fees for a previous winner of the Jonathon Feuer Citizenship Award. The award recognises the student who best displays Starehe's values, including honesty, respect, hard work, reliability and a regard for the wellbeing of others. Whilst the school was closed for most of 2020 it was not possible for the usual school-wide elections to take place. Usually the prize includes payment of the winner's final year school fees and a contribution towards her university or college fees.

Starehe Boys' Centre

- SUK contributed £21,466 (2019: £16,104) towards 25 (2019: 23) sponsored places for boys from deprived backgrounds to live and study at Starehe Boys' Centre during 2020. 18 of these students were funded via endowed places, and 7 by regular payments. The students were not in school for the whole of 2020, but the school still incurred costs on their behalf; and
- SUK contributed £30,597 (2019: £30,125) towards the general running costs of the Starehe Boys' Centre during 2020, helping to support the education of 1,122 students, 808 of whom are from a deprived background.

As well as pursuing their academic studies, the students would usually undertake many extracurricular activities, which include music events, sports contests and the Starehe Centres have their own scout troop. Obviously the students did not participate in these activities in the last 9 months of 2020, but it is hoped they will be able to restart in the latter half of 2021.

Starehe UK

During the year ended 31 December 2020, the charity's total incoming resources were £103,788 (2019: £138,046), of which £33,985 (2019: £41,566) was from supporter donations and £69,803 (2019: £95,480) from growth and income from investments.

Overall between 1 January 2020 and 31 December 2020, SUK disbursed £103,182 (2019: £93,107) to the two schools as follows:

- £274 (2019: £3,752) for funds restricted to specific projects specified by donors;
- £28,182 (2019: £12,605) from donations; and

Starehe UK

Report of the trustees

For the year ended 31 December 2020

- £75,000 (2019: £75,000) from the yield on the funds raised by the Aim High and Starehe Future Appeals, including donations for bursary endowments for student places (restricted 'forever' sponsorships) 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 2020 calendar year.

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

- Holly Korir and David Njogu for committing to sponsor new Form 1 students at Starehe Boys' Centre from January 2020;
- Nicola Hart, Simon Brister and Sally Holding for committing to sponsor new Form 1 students at Starehe Girls' Centre from January 2020;
- Old Starehian Society – UK Chapter for committing to sponsor new Form 1 students at both schools from January 2020;
- John Kibugi for planning to run the Brighton marathon (postponed from 2020 to 2021 due to Covid-19) and raising funds for both schools;
- Estelle Hilton for a donation to the Starehe Girls' Centre;
- Family and friends of the late Nichola Opiyo for establishing a Memorial Fund for Sustainability & Education to support the Starehe Boys' Centre;
- Jonathan Feuer for his continuing support of the Jonathan Feuer Citizenship Award at the Starehe Girls' Centre; and
- Our long standing individual student sponsors including the Lockhart Family, Rushton Family, Westfield School, Britten Family, Guy Family, Handford Family, Mr Kariuki and Cobham School.

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

Financial review

Sources of funding

The charity's investment funds have been secured through two major appeals in the UK. The 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 these past appeals, SUK receives regular ongoing donations from individuals and organisations. These donations are either restricted for student sponsorship or to support just one of the schools with its running costs, 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 2020 the investment income was allocated in the ratio 60:40 to Starehe Boys' Centre and Starehe Girls' Centre respectively. This ratio reflects the different size of the schools and their needs.

Starehe UK

Report of the trustees

For the year ended 31 December 2020

Financial position

There was a net expenditure for the 12-month period of £25,040. After accounting for the losses on investments of £54,706 arising from the revaluation of investments held at 31 December 2020 to market value, the total net decrease in the funds for the period is £79,746.

Investment policy

The trustees have established an investment policy, which is agreed with Smith & Williamson, 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 Consumer Price Index (CPI) plus 4.25%, net of fees, over a five year rolling period, with the minimum annual income yield being 2.5% of the value of the portfolio. A composite index is used to assess performance in the context of wider market conditions.

Investment performance

The value of Starehe UK's investments at the end of December 2020 was £2,273,315 (2019: £2,371,354).

Approximately 70% of the investment portfolio is invested in equities. The direct equity portion is orientated towards robust, cash-generative companies which benefit from strong market-leading positions in multiple markets and offer relatively high dividend yields. 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 investment landscape in 2020 was dominated by the COVID-19 virus, lockdowns and unprecedented policy easing by central banks and governments around the globe. The US election and UK-EU negotiations provided further risks to markets. The pandemic led to a global economic shock that established new multi-generational records. For instance, UK GDP fell by nearly 10% in 2020, the biggest decline since the Great Frost of 1709. Despite the problematic backdrop, the portfolio, after costs, generated a marginal positive return of 0.3%, in the year ended 31st December 2020. Over the same timeframe, the benchmark fell by 2.2%.

Over the longer-term, the portfolio has exceeded the long term CPI +4.25% objective.

£69,803 (2019: £95,480) of income was generated during the year. This is somewhat lower than in 2019 reflecting the fact that many companies suspended or significantly reduced their dividends due to regulatory demands and the economic uncertainty fuelled by the pandemic.

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.

Starehe UK

Report of the trustees

For the year ended 31 December 2020

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.

COVID-19

At a time when many other sources of income for the schools have disappeared or been reduced, SUK trustees intend to make its 2021 transfer of funds as usual. SUK's investments include sufficient cash for the regular bursary payment to be made at the same level as previous years as detailed in the "Plans for the future" section.

The dividend income on the investments for the year ending 31 December 2021 is expected to again be lower than the recent years prior to 2020, however there was not a drop in donations from individuals and organisations in 2020 so it is not expected that donations in 2021 will be adversely affected either. Trustees are confident that SUK will remain a going concern and will continue to support the Starehe schools for the remainder of 2021 and the future.

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

In March 2021 the following transfers were made to the schools:

Starehe Girls' Centre:

- £17,850 of investment income to cover the sponsorship fees for 22 endowed student places for the 2021 academic year;
- £6,786 of donations towards the fees of 17 sponsored students for the 2021 academic year; and
- £15,139 grant towards the general running costs of the school for the 2021 academic year.

Starehe Boys' Centre:

- £14,875 of investment income to cover the sponsorship fees for 18 endowed student places for the academic 2021 academic year;
- £4,216 of donations towards the fees of 8 sponsored students for the 2021 academic year; and
- £31,814 grant towards the general running costs of the school for the 2021 academic year.

A second transfer of funds will be made later in the year to both schools after further SUK donations have accumulated.

In response to the schools' loss of income in 2020 and the additional costs required to provide a safe learning environment since re-opening, SUK is planning to run a fundraising appeal to its existing supporters in 2021. The appeal will aim to raise £18,000 to cover 6-months of additional Covid-19 costs at both schools including the purchasing of Personal Protective Equipment (PPE), cleaning equipment and providing counselling to students.

Starehe UK

Report of the trustees

For the year ended 31 December 2020

Statement of responsibilities of the trustees

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees are 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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- 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 Charity (Accounts and Reports) Regulations 2008 and the provisions of the constitution. 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 are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other

The trustees have no beneficial interest in the charity.

Independent examiners

Godfrey Wilson Limited were re-appointed as independent examiners to the charity during the period and have expressed their willingness to continue in that capacity.

Approved by the trustees on 7 June 2021 and signed on their behalf by



Timothy Faithfull - Chairman

Independent examiner's report

To the trustees of

Starehe UK

I report to the trustees on my examination of the accounts of Starehe UK (the CIO) for the year ended 31 December 2020, which are set out on pages 10 to 22.

Responsibilities and basis of report

As the charity trustees of the CIO 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.

Alison Godfrey

Date: 9 June 2021

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 December 2020

	Note	Restricted £	Unrestricted £	2020 Total £	2019 Total £
Income from:					
Donations - general	3	-	6,537	6,537	6,549
Charitable activities	4	27,448	-	27,448	35,017
Other trading activities	5	-	-	-	1,000
Investments		-	69,803	69,803	95,480
Total income		<u>27,448</u>	<u>76,340</u>	<u>103,788</u>	<u>138,046</u>
Expenditure on:					
Raising funds		-	19,105	19,105	21,016
Charitable activities		28,182	81,541	109,723	102,243
Total expenditure	6	<u>28,182</u>	<u>100,646</u>	<u>128,828</u>	<u>123,259</u>
Net income / (expenditure) before investment gains / (losses)		(734)	(24,306)	(25,040)	14,787
Net gains / (losses) on investments		-	(54,706)	(54,706)	334,028
Net income / (expenditure)		(734)	(79,012)	(79,746)	348,815
Transfers between funds		1,077	(1,077)	-	-
Net movement in funds	8	343	(80,089)	(79,746)	348,815
Reconciliation of funds:					
Total funds brought forward		<u>1,482,962</u>	<u>959,740</u>	<u>2,442,702</u>	<u>2,093,887</u>
Total funds carried forward		<u><u>1,483,305</u></u>	<u><u>879,651</u></u>	<u><u>2,362,956</u></u>	<u><u>2,442,702</u></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 15 to the accounts.

Starehe UK**Balance sheet****As at 31 December 2020**

	Note	£	2020 £	2019 £
Fixed assets				
Investments	11		<u>2,273,315</u>	<u>2,371,354</u>
			2,273,315	2,371,354
Current assets				
Debtors	12	3,747		1,193
Cash at bank and in hand		<u>93,689</u>		<u>78,213</u>
		97,436		79,406
Liabilities				
Creditors: amounts falling due within 1 year	13	<u>7,795</u>		<u>8,058</u>
Net current assets			<u>89,641</u>	<u>71,348</u>
Net assets	14		<u><u>2,362,956</u></u>	<u><u>2,442,702</u></u>
Funds	15			
Restricted funds			1,483,305	1,482,962
Unrestricted funds:				
General funds			<u>879,651</u>	<u>959,740</u>
Total charity funds			<u><u>2,362,956</u></u>	<u><u>2,442,702</u></u>

Approved by the trustees on 7 June 2021 and signed on their behalf by

Tim Faithfull

Timothy Faithfull - Chairman

Starehe UK

Notes to the financial statements

For the year ended 31 December 2020

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 2019) - (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. However, the COVID-19 pandemic has had a profound impact on the global economy. The trustees have considered the impact of this issue on the charity's current and future financial position. The charity held unrestricted, general reserves of £879,651, and a cash balance of £93,689 as at 31 December 2020. The trustees consider that the charity has sufficient cash reserves to continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved.

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.

Notes to the financial statements

For the year ended 31 December 2020

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 and governance costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Governance costs are the costs associated with the governance arrangements of the charity, including the costs of complying with constitutional and statutory requirements and any costs associated with the strategic management of the charity's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities on the following basis:

	2020	2019
Charitable activities	80%	80%
Raising funds	20%	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 period end as the difference between the closing market value and the opening market value or purchase value during the period.

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.

Notes to the financial statements

For the year ended 31 December 2020

1. Accounting policies (continued)

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.

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 period 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.

o) Foreign currency transactions

Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Balances denominated in foreign currencies are translated at the rate of exchange prevailing at the year end.

p) Accounting estimates and key judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In the year to 31 December 2020 no key sources of estimation uncertainty had a significant effect on the amounts recognised in the financial statements.

Starehe UK

Notes to the financial statements

For the year ended 31 December 2020

2. Statement of financial activities - prior period comparative

	Restricted £	Unrestricted £	2019 Total £
Income from:			
Donations - general	-	6,549	6,549
Charitable activities	35,017	-	35,017
Other trading activities	-	1,000	1,000
Investments	-	95,480	95,480
Total income	35,017	103,029	138,046
Expenditure on:			
Raising funds	-	21,016	21,016
Charitable activities	18,107	84,136	102,243
Total expenditure	18,107	105,152	123,259
Net income / (expenditure) before investment gains	16,910	(2,123)	14,787
Net gains on investments	-	334,028	334,028
Net movement in funds	16,910	331,905	348,815

3. Donations - general

	Restricted £	Unrestricted £	2020 Total £	2019 Total £
Individual Donations With Gift Aid	-	4,258	4,258	4,464
Individual Donations Without Gift Aid	-	1,880	1,880	1,985
Overseas Donations	-	399	399	100
	-	6,537	6,537	6,549

All income from donations in the prior period was unrestricted.

Starehe UK

Notes to the financial statements

For the year ended 31 December 2020

4. Charitable activities

	Restricted £	Unrestricted £	2020 Total £	2019 Total £
Bursaries - Gift Aid	125	-	125	125
Capital Projects - SGC - Gift Aid	313	-	313	750
Capital Projects - SGC - Non Gift Aid	3,490	-	3,490	-
Capital Projects - SBC - Gift Aid	13	-	13	-
Capital Projects - SBC - Non Gift Aid	1,436	-	1,436	-
Sponsorships - SBC - Gift Aid	4,588	-	4,588	1,187
Sponsorships - SBC - Non Gift Aid	1,246	-	1,246	2,062
Overseas Sponsorships - SBC	2,211	-	2,211	1,036
Sponsorships - SGC - Gift Aid	11,715	-	11,715	11,615
Sponsorships - SGC - Non Gift Aid	991	-	991	15,850
Old Starehian Society UK - SBC - Gift Aid	375	-	375	431
Old Starehian Society UK - SBC - Non Gift Aid	285	-	285	765
Old Starehian Society UK - SGC - Gift Aid	375	-	375	431
Old Starehian Society UK - SGC - Non Gift Aid	285	-	285	765
Total charitable activities	<u>27,448</u>	<u>-</u>	<u>27,448</u>	<u>35,017</u>

All income from charitable activities in the prior period was restricted.

5. Other trading activities

	Restricted £	Unrestricted £	2020 Total £	2019 Total £
Fundraising activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,000</u>

All income from other trading activities in the prior period was unrestricted.

Starehe UK

Notes to the financial statements

For the year ended 31 December 2020

6. Total expenditure

	Raising funds £	Charitable activities £	Support and governance costs £	2020 Total £
Grants payable to partners (note 7)	-	103,182	-	103,182
Freelance workers	-	2,250	2,250	4,500
General office expenditure	-	-	114	114
Bank charges	140	-	-	140
Investment charges	17,892	-	-	17,892
Accountancy and professional fees	-	-	3,000	3,000
Sub-total	18,032	105,432	5,364	128,828
Allocation of support and governance costs	1,073	4,291	(5,364)	-
Total expenditure	19,105	109,723	-	128,828

Governance costs in the year were £3,000.

Total expenditure - prior period comparative

	Raising funds £	Charitable activities £	Support and governance costs £	2019 Total £
Grants payable to partners (note 7)	-	93,107	-	93,107
Freelance workers	-	2,938	2,937	5,875
General office expenditure	-	-	1,864	1,864
Bank charges	79	-	-	79
Investment charges	19,388	-	-	19,388
Accountancy and professional fees	-	-	2,946	2,946
Sub-total	19,467	96,045	7,747	123,259
Allocation of support and governance costs	1,549	6,198	(7,747)	-
Total expenditure	21,016	102,243	-	123,259

Governance costs in the year were £2,946.

Starehe UK

Notes to the financial statements

For the year ended 31 December 2020

7. Grants payable

	2020 £	2019 £
Grant to Starehe Boys' Centre	52,063	47,479
Grant to Starehe Girls' Centre	51,119	45,628
Total	103,182	93,107

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

8. Net movement in funds

This is stated after charging:

	2020 £	2019 £
Trustees' remuneration	Nil	Nil
Trustees' reimbursed expenses	Nil	19
Independent examiner's fees	3,000	2,946

No trustees were reimbursed in respect of costs during the year (2019: £19 for IT costs).

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 period. The Charity Manager was paid fees of £4,500 during the year (2019: £5,875).

10. Taxation

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

11. Listed investments

	2020 £	2019 £
Market value at 1 January 2020	2,371,354	2,005,830
Additions	1,011,808	768,793
Disposals proceeds	(1,055,141)	(737,191)
Equalisations	-	(106)
Realised gains / (losses)	(149,785)	60,877
Unrealised gains / (losses)	95,079	273,151
Market value at 31 December 2020	2,273,315	2,371,354
Historical cost:		
At 31 December 2020	2,023,041	2,083,024

Starehe UK

Notes to the financial statements

For the year ended 31 December 2020

12. Debtors

	2020	2019
	£	£
Accrued income	3,303	1,193
Prepayments	444	-
	<u>3,747</u>	<u>1,193</u>

13. Creditors : amounts due within 1 year

	2020	2019
	£	£
Accruals	<u>7,795</u>	<u>8,058</u>

14. Analysis of net assets between funds

	Restricted funds £	Unrestricted funds £	Total funds £
Investments	1,483,305	790,010	2,273,315
Current assets	-	97,436	97,436
Current liabilities	-	(7,795)	(7,795)
	<u>1,483,305</u>	<u>879,651</u>	<u>2,362,956</u>
Net assets at 31 December 2020	<u>1,483,305</u>	<u>879,651</u>	<u>2,362,956</u>

Analysis of net assets between funds - prior period comparative

	Restricted funds £	Unrestricted funds £	Total funds £
Investments	1,482,962	888,392	2,371,354
Current assets	-	79,406	79,406
Current liabilities	-	(8,058)	(8,058)
	<u>1,482,962</u>	<u>959,740</u>	<u>2,442,702</u>
Net assets at 31 December 2019	<u>1,482,962</u>	<u>959,740</u>	<u>2,442,702</u>

Starehe UK

Notes to the financial statements

For the year ended 31 December 2020

15. Movements in funds

	At 1 January 2020 £	Income £	Expenditure £	Investment gains / (losses) £	Transfers between funds £	At 31 December 2020 £
Restricted funds						
Capital Projects - Girls' Centre	1,000	3,803	(3,472)	-	-	1,331
Capital Projects - Boys' Centre	-	1,450	(472)	-	-	978
Aim High Appeal StareheFuture	868,991	-	-	-	-	868,991
Appeal	575,112	125	-	-	-	575,237
Sponsorship - Girls' Centre	34,318	13,366	(17,647)	-	-	30,037
Sponsorship - Boys' Centre	3,541	8,704	(6,591)	-	1,077	6,731
Total restricted funds	1,482,962	27,448	(28,182)	-	1,077	1,483,305
Unrestricted funds						
General funds	959,740	76,340	(100,646)	(54,706)	(1,077)	879,651
Total unrestricted funds	959,740	76,340	(100,646)	(54,706)	(1,077)	879,651
Total funds	2,442,702	103,788	(128,828)	(54,706)	-	2,362,956

Starehe UK

Notes to the financial statements

For the year ended 31 December 2020

15. Movements in funds (continued)

Prior period comparative	At 1 January 2019 £	Income £	Expenditure £	Investment gains / (losses) £	Transfers between funds £	At 31 December 2019 £
Restricted funds						
Capital Projects - Girls' Centre	750	750	(500)	-	-	1,000
Capital Projects - Boys' Centre	1,250	-	(1,250)	-	-	-
Aim High Appeal	868,991	-	-	-	-	868,991
StareheFuture Appeal	574,987	125	-	-	-	575,112
Sponsorship - Girls' Centre	20,785	28,661	(15,128)	-	-	34,318
Sponsorship - Boys' Centre	(711)	5,481	(1,229)	-	-	3,541
Total restricted funds	<u>1,466,052</u>	<u>35,017</u>	<u>(18,107)</u>	<u>-</u>	<u>-</u>	<u>1,482,962</u>
Unrestricted funds						
General funds	<u>627,835</u>	<u>103,029</u>	<u>(105,152)</u>	<u>334,028</u>	<u>-</u>	<u>959,740</u>
Total unrestricted funds	<u>627,835</u>	<u>103,029</u>	<u>(105,152)</u>	<u>334,028</u>	<u>-</u>	<u>959,740</u>
Total funds	<u><u>2,093,887</u></u>	<u><u>138,046</u></u>	<u><u>(123,259)</u></u>	<u><u>334,028</u></u>	<u><u>-</u></u>	<u><u>2,442,702</u></u>

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Notes to the financial statements

For the year ended 31 December 2020

15. Movements in funds (continued) - purpose of restricted funds

Capital Projects - 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	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	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. 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.
Sponsorship - Girls' Centre	To fund sponsored places at Starehe Girls' Centre.
Sponsorship - Boys' Centre	To fund sponsored places at Starehe Boys' Centre.

16. Related party transactions

Other than the trustees' reimbursed expenses disclosed in note 8, there were no related party transactions during the current or prior period.