

Charity Registration No. 1181649

STARFISH ASIA
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR 21 JANUARY 2019 TO 31 MARCH 2021

STARFISH ASIA

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Michael Wakely Marjorie Murphy Devin Scobie Colin Wrigley	(Appointed 23 November 2020)
	Stephen Curran Sheila Thomas	(Appointed 23 November 2020)
Charity number	1181649	
Principal address	32 Beck Lane Beckenham Kent BR5 4RE	
Independent examiner	Nigel Hewson FCA DChA Hewsons Chartered Accountants 80 Woodhurst Avenue Orpington Kent BR5 1AT	
Bankers	HSBC Bank plc 141 High Street Beckenham Kent BR3 1BX	

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STARFISH ASIA

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

The trustees present their annual report and financial statements for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's constitution, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

The charity's objects are the relief of poverty, sickness and distress, the advancement of education and the advancement of the Christian faith in Pakistan and other countries of South Asia.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on Public Benefit when reviewing their aims and objectives and in planning the future activities of the charity. In particular, the trustees ensure that activities contribute to the aims and objectives they have set.

Pakistan is facing a serious challenge to ensure all children, particularly the most disadvantaged, attend, stay and learn in school. It was reported in the Pakistani DAWN newspaper in September 2021 that ***"Out of all children in Pakistan between the ages of five to 16 years, 32 per cent, i.e. one third, are out of school. This amounts to an estimated total of over 20 million."*** The often marginalised Christian minority, who are amongst the poorest section of society and often discriminated against, have little realistic access to education from the national or provincial governments. The problem has been exacerbated, and poverty has increased, due to COVID-19, resulting in a crisis for millions of families.

The selection of beneficiaries is carried out by the executive of the Board of Starfish Pakistan, an independent registered Trust in Pakistan, whose trustees are respected members of the Pakistan Christian community.

Starfish Pakistan is also responsible for the distribution of the grants to the supported projects. Grants are paid monthly to locally registered trusts which oversee schools and other institutions run by trusted Pakistani Christian leaders. The principal criteria are that the selected schools support the poorest families in the community, and that evidence is provided that the aims and objectives of the charity are being implemented and achieved. There is constant and regular interaction between Starfish Pakistan and Starfish Asia, especially in regard to the disbursement of restricted funding made to approved projects. The relationship between Starfish Asia and Starfish Pakistan is documented in a Partnership Agreement, updated in June 2017.

Starfish Asia in the UK engages few volunteers. The Executive Trustee, Mr. Michael Wakely and his wife continue to work without pay as volunteers. Two employees now work for the charity. After the resignation of the CEO, Mr Duncan Stonehouse, in July 2020, Mr Robert Bavington was appointed CEO in September 2021. Mrs Elizabeth Ellis works part-time as Administrator. All are fully approved by, and answerable to, the Trustees.

Achievements and performance

The Executive Trustee's Report sets out the significant achievements and performance during the year.

Financial review

The trustees report a deficit on general funds for the year of £27,944 (14 months 2020- surplus of £182,515).

The charity aims to maintain a balance of unrestricted net current assets equivalent to a minimum of 3 months support, which currently equates to around £90,000. The balance held in unrestricted net current assets at the end of this year was £154,571. The charity continues to seek to increase support to more projects in Pakistan as funding allows.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

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

In December 2019 Starfish Pakistan applied for registration with the Economic Affairs Division of the Government of Pakistan. This was finally approved in October 2020, and an MOU signed granting Starfish Pakistan the right to receive funds from overseas until December 2023.

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

Currency fluctuation risk: The fluctuation of the UK pound is a constant risk, partly mitigated by the steady devaluation of the Pakistani Rupee. While helpful for the UK charity, this results in increasing poverty in Pakistan, where inflation is running at above 11%. We are thankful that the general fund reserves have been healthy throughout the year under review.

Plans for future periods

Impact on coronavirus (COVID-19) pandemic: The impact of the COVID-19 pandemic resulted in uncertainty on the overall global economic environment and the activities of the schools and projects supported via Starfish Pakistan in Pakistan. Starfish Asia launched an appeal to help those most severely hurt by loss of their jobs. No funds were diverted from the support of teachers and staff during the closure of schools. The special appeal raised restricted funds to support about 1,600 families for several months.

The level of general fund reserves is sufficiently healthy to withstand some short-term shocks in giving, and we will continue to tightly manage our UK costs.

Structure, governance and management

The charity is a charitable incorporated organisation.

The trustees who served during the year and up to the date of signature of the financial statements were:

Michael Wakely

Marjorie Murphy

Devin Scobie

Colin Wrigley

(Appointed 23 November 2020)

Stephen Curran

Robert Bavington

(Appointed 23 November 2020 and resigned 2 September 2021)

Sheila Thomas

(Appointed 23 November 2020)

Geoff Larcombe

(Resigned 22 July 2020)

New trustees are appointed by the existing trustees and serve for 4 years, after which they may put themselves forward for re-appointment. The charity constitution provides for a minimum of 3 trustees. The induction and training of new trustees into the work of the charity and responsibilities is undertaken by the Executive Trustee and the Chairman.

Subsequent to the resignation of Duncan Stonehouse as Chief Executive Officer, Michael Wakely resumed his position as Executive Trustee in July 2020, and new trustees were appointed in November 2020: Colin Wrigley, Robert Bavington and Sheila Thomas. Robert Bavington was appointed Chief Executive Officer in September 2021, upon which he resigned his position as a trustee.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

The trustees meet about four times each year. They agree the broad strategy and areas of activity of the charity, including consideration of grant making, reserve and risk policies and performance. Management decisions and the daily conduct of the charity including fund-raising, partnership decisions related to the projects in Pakistan, etc. are taken by the Executive Trustee, subject to the charity's policies and the final oversight of the Board. Decisions of policy, appointment of staff and major financial commitments are made by the Board.

Relationship to Starfish Pakistan: Starfish Pakistan is an independent Trust registered in Pakistan with its own Board of Trustees and financial audit. Starfish Asia provides funds to Starfish Pakistan on the basis of a signed 'Partnership Agreement'.

Salaries and benefits: Elizabeth Ellis was appointed on a salary decided by the trustees. She commenced part-time work with the charity on 15 September 2020. Accountancy charges were paid on an hourly rate to William Ottinah, accountant. The charity has no trading subsidiaries. No employment benefits have been paid to either staff or trustees.

Overseas expenditure: Funds transferred overseas, exclusively to Pakistan, have all been sent via regulated Bank transfer from the Starfish Asia account, held with HSBC, UK, to the Starfish Pakistan account in Faysal Bank, Lahore. No cash is hand-carried or transferred by any other means overseas. No funds are sent by any means direct to projects or personal accounts.

All funds sent to Starfish Pakistan (a Registered Trust) are subject to annual audit and to the checks and balances set in place by the trustees of Starfish Pakistan. Most funds are transferred as restricted funds designated for specified projects. Shoukat Ashraf, senior audit officer of the Government of Pakistan in Ministry of Defence, worked as internal auditor of Starfish Pakistan. According to the rules of the audit, no funds (with a few monitored exceptions) are transferred to any personal accounts.

The trustees are satisfied that the charity's risk management policy and procedures adequately address the risks to the charity arising from its activities where it operates.

Income from outside the UK: Starfish Asia receives few funds from outside the UK, with the exception of occasional income from the USA.

Reference and administrative information is provided on the page following the cover sheet.

The trustees' report was approved by the Board of Trustees.

Devin Scobie
Chairman

16 December 2021

STARFISH ASIA

EXECUTIVE TRUSTEE'S REPORT

FOR THE YEAR ENDED 31 MARCH 2021

Overview

The current reporting year was a time of turmoil and transition, much of it difficult and distressing, though the outcome has been positive and encouraging. We see the hand of God in the midst of some dark times. The darkest cloud was cast by the Coronavirus pandemic:

- In April 2020 Pakistan started its first lock-down. We reported: "Since lock-down was ordered by Pakistan's Government, people are fearful; fear for the virus, of course, but for daily labourers the greater worry is how they are going to feed their families."
- Starfish Asia launched an appeal, which resulted in the provision of food parcels given to about 1,600 families for more than 4 months through the SA school projects.
- Through the year, until June 2021, schools and colleges closed, then opened and closed again. There was much confusion and exams were postponed. Throughout, Starfish Pakistan has continued to provide salaries for teachers.
- Throughout 2021 the Pakistan Government has been rolling out vaccines (mostly from China), and at the time of writing this report (November 2021) 70 million have been given at least one dose. The danger of the virus has been greatly reduced, and life is returning to "normal".

Transition and change

- Change in the UK Board: With the resignation of our Chairman in March 2020, Mr Devin Scobie became Chairman. With the arrival of Board meetings by Zoom, geographical proximity was no longer essential. Devin comes from Edinburgh. New Board members joined in November 2020: Sheila Thomas (London), Rob Bavington (Bradford) and Colin Wrigley (Karachi, Pakistan). They brought invaluable new life to the Board. We were sorry to accept the resignation of Geoff Larcombe in July on health grounds.
- Change in UK leadership: Duncan Stonehouse resigned his position as CEO in July 2020, resulting in Michael (Mike) Wakely returning to leadership as Executive Trustee. At the same time, Margaret Robson resigned as Administrator, due to family responsibilities. After minimal advertising of the vacancy, Mrs Elizabeth (Liz) Ellis joined us in September. She has made a huge contribution to the overall administration and management. In September 2021 Robert (Rob) Bavington was appointed as Chief Executive of Starfish Asia UK, working closely together with Mike and Kerstin Wakely.
- Change in Pakistan: Much to our surprise, Anser Javed (and his wife Kashi) resigned his position as Director of Starfish Pakistan in March 2021. Given very short notice, we were grateful when the Starfish Pakistan Board appointed Rev. Danishmand Wasti and his wife Jasmine to lead the work in Pakistan. As a former Chairman of the Pakistan Board with many years' service in Christian ministry, Danishmand has brought great experience and stability to the work in Pakistan.

Blessing and continuity

Everything that Starfish Asia is able to achieve is dependent on three things. Firstly, the amazing overall care and sovereign control of God, of which we are regularly aware. Secondly, the constant generosity of our donors, supporters and friends, without whose partnership nothing would be possible. Thirdly, the dedication and hard work of the staff, volunteers, project leaders and teachers in all the schools and projects we support in Pakistan. We give thanks to God for them all.

In 2020-2021, in spite of the difficulties referred to above, we have helped about 10,000 children receive an education with Christian values and Bible teaching. In this year, we have been able to:

- Provide support to 46 schools with regular financial help, especially for teachers' salaries. We also continue to support 7 homes and centres for children with special needs.
- Provide significant improvements to several school buildings, notably the Light school and Dean Public school in Lahore, the New Life school in Bahawalpur and the Gordon school in Khanpur.

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EXECUTIVE TRUSTEE'S REPORT

FOR THE YEAR ENDED 31 MARCH 2021

- Furthermore, the Holy Shepherd School in Karachi has been rebuilt, a major construction job carried out by Zor Engineers, in spite of delays due to the virus. It will be finally opened to classes at the end of 2021.
- Provide furniture and equipment to 35 schools, with new toilets, desks and chairs, fans and electricity back-up, etc.
- Give fee scholarship awards to more than 200 students.
- Provide sets of textbooks to 89 schools and 14,023 students in 2020. In addition 8,059 students were given Bible Curriculum books.
- Sadly, due to the virus, there was little teacher training or staff development in the reporting year. Most of the teachers in Karachi received some training online from the Citizens Foundation. Our commitment to staff development will be seriously improved in the coming year.

Achievements in Pakistan

Extending our reach

1. Throughout the lock-downs Kashi Javed continued to meet with some school heads to encourage them to continue with home tuition and other ways to work with students while schools were closed. Many schools worked hard, preparing their own work sheets, calling students and going to their homes. Carol from the Green Field School in Multan called students to come to her home every morning. They covered most of the syllabus.
2. The EDKASA online programme, providing quality teaching for senior classes in 11 schools, continued during the lock-down. The Edkasa team contacted every student enrolled in the Starfish Edkasa programme. This was extremely successful. The students continued their learning.
3. From April to July 2020, Starfish Pakistan provided food parcels or cash to 1,600 families, mostly through our 50 Project Partners. That amounted to around 6,000 sacks of wheat and other foodstuffs.
4. The staff and students of the Ghauri Wisdom High School set to work to make face masks, which were distributed to Starfish Pakistan schools.
5. The Bible studies for teachers continued during the lock-down. In August 2020 24 schools held regular classes, attended by a total of 230 teachers. Sadly the teacher Bible study programme closed in February 2021.
6. A speech competition took place in October 2020, organised by Starfish Pakistan. More than 200 students took part. Before an audience of parents and teachers, 30 students each gave a 3-minute speech. A panel judged them on content and presentation, and awarded prizes to the winners.
7. In January 2021 the Starfish Pakistan office team prepared cooked food for about 300 people, and gave a free meal to poor people waiting for work by the roadside. "Nothing else could be a greater start to the new year 2021," said a staff member. They continued every week to provide food for the next three months.

Plans for the future

Starfish Asia remains primarily committed to the 46 schools and 7 homes or centres for the disabled and marginalised. Under the leadership of Danishmand, his wife Jasmine and the office staff, Starfish Pakistan we will continue to champion many other low-cost Christian schools in Pakistan – through teacher training, books or material support in the form of furniture and equipment. Our emphasis remains help to those from poor families mainly (but not exclusively) from the deprived Christian community in Pakistan.

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EXECUTIVE TRUSTEE'S REPORT

FOR THE YEAR ENDED 31 MARCH 2021

Three priorities stand before us in the coming year:

The trustees and staff of both Starfish Asia UK and Starfish Pakistan are making the following the key priorities for 2020:

1. **Material:** In written partnership with each project leader, we will aim to provide the best possible infrastructure for each school and home: classroom décor and furniture, books, electricity back-up, fans, clean water, toilets and washroom facilities, etc. A good study environment enhances dignity, respect and confidence.
2. **Academic:** For all students in supported schools, we aim to provide the best possible good teaching practice, which requires training and monitoring, as well as motivating, inspiring and rewarding teachers and staff. A staff development programme is being prepared in co-operation with a professional team of trainers.
3. **Spiritual:** We will ensure pastoral care, as well as Bible study provision and materials, for all staff – as well as training in the use of Bible teaching materials for students. We aim to do all we can to ensure a strong spiritual and biblical foundation for the coming generation of Pakistani Christians.

Finally

These are our goals and we know they can only be attained by the grace of God and the extraordinary generosity of our donors, supporters, and friends – and also by the heroic hard work and dedication of our staff and all the teachers in the schools and projects we are committed to in Pakistan.

Submitted with gratitude:

.....
Michael Wakely

Executive Trustee

Dated: November 2021

STARFISH ASIA

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF STARFISH ASIA

I report to the trustees on my examination of the financial statements of Starfish Asia (the charity) for the year ended 31 March 2021.

Responsibilities and basis of report

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

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

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no 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 charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements to be reached.

Nigel Hewson FCA DChA

Hewsons
Chartered Accountants
80 Woodhurst Avenue
Orpington
Kent
BR5 1AT

Dated: 22 December 2021

STARFISH ASIA

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2021

		Unrestricted funds 2021	Restricted funds 2021	Total 2021	Unrestricted funds 14 months 2020	Restricted funds 14 months 2020	Total 14 months 2020
	Notes	£	£	£	£	£	£
Income from:							
Donations and legacies	3	331,748	310,382	642,130	292,865	107,783	400,648
Investments	4	105	-	105	382	-	382
Other income	5	-	-	-	131,727	75,183	206,910
Total income		331,853	310,382	642,235	424,974	182,966	607,940
Expenditure on:							
Raising funds	6	709	-	709	771	-	771
Charitable activities	7	359,088	305,627	664,715	241,688	84,941	326,629
Total resources expended		359,797	305,627	665,424	242,459	84,941	327,400
Net (expenditure)/income for the year/ Net movement in funds		(27,944)	4,755	(23,189)	182,515	98,025	280,540
Fund balances at 1 April 2020		182,515	98,025	280,540	-	-	-
Fund balances at 31 March 2021		154,571	102,780	257,351	182,515	98,025	280,540

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

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BALANCE SHEET

AS AT 31 MARCH 2021

		2021		14 months 2020	
	Notes	£	£	£	£
Current assets					
Debtors	12	14,873		14,325	
Cash at bank and in hand		247,591		277,588	
		<u>262,464</u>		<u>291,913</u>	
Creditors: amounts falling due within one year	13	(5,113)		(11,373)	
Net current assets			257,351		280,540
			<u><u>257,351</u></u>		<u><u>280,540</u></u>
Income funds					
Restricted funds	14		102,780		98,025
Unrestricted funds			154,571		182,515
			<u>257,351</u>		<u>280,540</u>
			<u><u>257,351</u></u>		<u><u>280,540</u></u>

The financial statements were approved by the Trustees on 16 December 2021

Michael Wakely
Trustee

STARFISH ASIA

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

		2021		14 months 2020	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	18		(30,102)		277,206
Investing activities					
Investment income received		105		382	
Net cash generated from investing activities			105		382
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(29,997)		277,588
Cash and cash equivalents at beginning of year			277,588		-
Cash and cash equivalents at end of year			247,591		277,588

STARFISH ASIA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Charity information

Starfish Asia is a charitable incorporated organisation.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's constitution, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

This assessment is undertaken in light of the recent developments arising from the coronavirus (COVID19) pandemic. The charity does not expect significant reductions in donated income and is immediately able to reduce outgoings on funding given to schools and projects in Pakistan via Starfish Pakistan.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid is recognised at the time of the donation. Income tax recoverable from restricted fund donors is included in unrestricted funds where permission has been given.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

STARFISH ASIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

In accordance with the Charities SORP (FRS 102), general volunteer time of those who provide support is not included in the accounts, however, refer to the trustees' annual report for more information about their contribution.

1.5 Expenditure

Expenditure is accounted for on an accruals basis and allocated to the appropriate heading in the accounts. Grants and donations payable are taken into account at the earlier of when they are paid or become legally enforceable.

Fixed assets costing less than £500 are written off as an expense in the in the year in which the expenditure is incurred.

Other than the normal commitments under contracts of employment there are no contractual or constructive obligations to future expenditure at the balance sheet date. Where the trustees have authorised expenditure which is not yet legally enforceable or become constructive obligations amounts are set aside into funds designated for the purpose.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The charity 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 measured at amortised cost using the effective interest method.

1.8 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.9 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

STARFISH ASIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021	2021	2021	14 months 2020	14 months 2020	14 months 2020
	£	£	£	£	£	£
Donations and gifts	276,685	303,151	579,836	213,449	107,783	321,232
Legacies receivable	25,849	-	25,849	56,451	-	56,451
Tax recoverable	29,214	7,231	36,445	22,965	-	22,965
	<u>331,748</u>	<u>310,382</u>	<u>642,130</u>	<u>292,865</u>	<u>107,783</u>	<u>400,648</u>

4 Investments

	Unrestricted funds	Unrestricted funds
	2021	14 months 2020
	£	£
Interest receivable	<u>105</u>	<u>382</u>

STARFISH ASIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

5 Other income

	Total	Unrestricted funds	Restricted funds	Total
	2021	14 months 2020	14 months 2020	14 months 2020
	£	£	£	£
Transferred from Starfish Asia trust	-	131,727	75,183	206,910

On 30 June 2019 all the operations, assets and liabilities of the previously unincorporated charitable trust, Starfish Asia charity registration number 1099672, were transferred to this charity as set out below:

	Total
	£
Debtors (see below)	8,875
Cash at bank and in hand	201,835
Accruals and deferred income	(3,800)
	<u>206,910</u>
Debtors:	
Other debtors	6,365
Prepayments and accrued income	2,510
	<u>8,875</u>

6 Raising funds

	Unrestricted funds	Unrestricted funds
	2021	14 months 2020
	£	£
<u>Fundraising and publicity</u>		
Other fundraising costs	709	771
	<u>709</u>	<u>771</u>

STARFISH ASIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

7 Charitable activities

	Education and poverty relief 2021 £	Education and poverty relief 14 months 2020 £
Staff costs	28,835	23,334
Management expenses, Starfish Pakistan	40,434	25,853
Office and administration expenses	19,844	16,765
Travel and subsistence	1,371	5,470
Bank charges	763	-
	<u>91,247</u>	<u>71,422</u>
Grant funding of activities (see note 8)	558,131	250,149
Share of support costs (see note 9)	10,073	-
Share of governance costs (see note 9)	5,264	5,058
	<u>664,715</u>	<u>326,629</u>
Analysis by fund		
Unrestricted funds	359,088	241,688
Restricted funds	305,627	84,941
	<u>664,715</u>	<u>326,629</u>

STARFISH ASIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

8 Grants payable

	Education and poverty relief 2021 £	Education and poverty relief 14 months 2020 £
Grants to institutions:		
School Books and Bibles	12,741	17,668
Nirali Kitaben	-	16,885
Scholarships	29,774	16,499
Talent Ministry	13,017	11,531
Blair Trust Model Schools	23,350	10,849
Holy Shepherd Grammar School	88,924	10,603
COVID 19 compassion aid	55,452	-
Ghuri Education Development Society	17,428	-
Edkasa	17,504	-
Dean Public School	42,584	-
Light School (AoG)	18,370	-
Other	238,987	166,114
	<u>558,131</u>	<u>250,149</u>

All grants, with the exception of some building costs, are paid to Starfish Pakistan who arrange local distribution of funds. The larger schools, projects and resources are listed above.

9 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	14 months 2020 £
Staff costs	10,073	-	10,073	-	-	-
Accountancy	-	5,264	5,264	-	4,500	4,500
Legal and professional	-	-	-	-	420	420
Meeting expenses	-	-	-	-	138	138
	<u>10,073</u>	<u>5,264</u>	<u>15,337</u>	<u>-</u>	<u>5,058</u>	<u>5,058</u>
Analysed between						
Charitable activities	<u>10,073</u>	<u>5,264</u>	<u>15,337</u>	<u>-</u>	<u>5,058</u>	<u>5,058</u>

Governance costs includes independent examiner charges of £1,900 (14 months 2020- £1,800) for fees in connection with his report, £2,250 (14 months 2020- £1,376) for accountancy and payroll costs and £1,114 (14 months 2020- £1,324 in respect of the previous trust) prior period under provision.

STARFISH ASIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

10 Trustees

In accordance with the governing document, during the year Robert Bavington received remuneration for his operational role of £4,336 and pension contributions of £130 (14 months 2020- £nil).

During the year two trustee was reimbursed travel and training expenses amounting to £495 (14 months 2020- three trustees reimbursed travel expenses of £2,133). Devin Scobie was paid £500 compensation for loss of income.

11 Employees

Number of employees

The average monthly number of employees during the year was:

	2021 Number	14 months 2020 Number
Operational	1	1
Administrative	1	-
	<u>2</u>	<u>1</u>

Employment costs

	2021 £	14 months 2020 £
Wages and salaries	38,455	23,334
Other pension costs	453	-
	<u>38,908</u>	<u>23,334</u>

There were no employees whose annual remuneration was £60,000 or more.

12 Debtors

	2021 £	14 months 2020 £
Amounts falling due within one year:		
Other debtors	12,498	11,496
Prepayments and accrued income	2,375	2,829
	<u>14,873</u>	<u>14,325</u>

STARFISH ASIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

13 Creditors: amounts falling due within one year

	2021	14 months 2020
	£	£
Other taxation and social security	1,357	3,073
Other creditors	206	-
Accruals and deferred income	3,550	8,300
	<u>5,113</u>	<u>11,373</u>

14 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds		
	Incoming resources	Resources expended	Balance at 1 April 2020	Incoming resources	Resources expended	Balance at 31 March 2021
	£	£	£	£	£	£
Five Model Schools	16,825	(11,372)	5,453	19,600	(24,993)	60
School Books and Bibles	4,999	(2,945)	2,054	17,276	(10,406)	8,924
Scholarships	13,911	(8,238)	5,673	29,800	(22,913)	12,560
Bible Curriculum	16,242	(16,242)	-	14,633	-	14,633
Building Fund	33,831	(1,514)	32,317	55,504	(66,444)	21,377
Light for Life Ministries, Sheikhupura	8,882	(6,676)	2,206	9,000	(9,504)	1,702
Edkasa	-	-	-	12,000	(7,534)	4,466
Covid19 support	-	-	-	55,452	(55,452)	-
Ian Pratt Improvement Projects	-	-	-	15,000	(6,523)	8,477
Other support for schools in Pakistan	88,276	(37,954)	50,322	82,117	(101,858)	30,581
	<u>182,966</u>	<u>(84,941)</u>	<u>98,025</u>	<u>310,382</u>	<u>(305,627)</u>	<u>102,780</u>

The larger restricted funds are listed above and are all for the support of schools in Pakistan and all paid to Starfish Pakistan who arrange local distribution of funds.

STARFISH ASIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

15 Analysis of net assets between funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 14 months 2020 £	Restricted funds 14 months 2020 £	Total 14 months 2020 £
Fund balances at 31 March 2021 are represented by:						
Current assets/ (liabilities)	154,571	102,780	257,351	182,515	98,025	280,540
	<u>154,571</u>	<u>102,780</u>	<u>257,351</u>	<u>182,515</u>	<u>98,025</u>	<u>280,540</u>

16 Financial commitments, guarantees and contingent liabilities

Starfish Asia continues to support many projects and related costs of which monthly funding has been committed. The monthly commitment amounts to £31,411. The commitments are in Pakistani Rupee PKR6,608,833, exchange rate PKR210.4/£1 at 31 March 2021.

There is no legal obligation to continue this funding and the level of regular funding may decline if sufficient reserves are not available. Funds will be paid to Starfish Asia, Pakistan who will distribute these monies to the agreed entities. Continued funding is dependent on evidence being provided showing the aims and objectives of the charity are being implemented and achieved. Monthly commitments will be funded from current reserves and future income.

17 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2021 £	14 months 2020 £
Aggregate compensation	<u>28,836</u>	<u>23,334</u>

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

There were no donated goods or services in the year.

During the year donations of £12,968 (14 months 2020- £29,160) were received from trustees and related parties.

STARFISH ASIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

18	Cash generated from operations	2021 £	14 months 2020 £
	(Deficit)/surplus for the year	(23,189)	280,540
	Adjustments for:		
	Investment income recognised in statement of financial activities	(105)	(382)
	Movements in working capital:		
	(Increase) in debtors	(548)	(14,325)
	(Decrease)/increase in creditors	(6,260)	11,373
	Cash (absorbed by)/generated from operations	<u>(30,102)</u>	<u>277,206</u>
19	Analysis of changes in net funds		
	The charity had no debt during the year.		