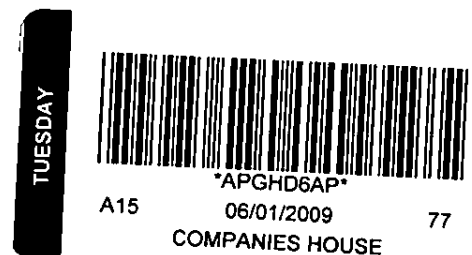


3921677

**THARE MACHI LTD**  
Technology Bringing Knowledge And Hope

**Abbreviated Accounts**  
**31 March 2008**

**Charity No. 1080131**



**THARE MACHI LTD; THE STARFISH INITIATIVE  
ABBREVIATED ACCOUNTS AND TRUSTEES REPORT  
YEAR ENDED 31 MARCH 2008**

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**ADDRESS:** Box 4040, Leamington Spa CV34 6XD

**REGISTERED CHARITY NUMBER** 1080131  
Company Limited by Guarantee Incorporation Number 03921677

**PATRONS**

Duchess of Norfolk  
Lord Bilimoria CBE DL  
L.K. Bennett  
The Rt Hon Baroness Chalker  
Caroline Chartres  
The Rt Hon Lord Carey  
Lady Carey  
Dame Diana Brittan  
Lord Dholakia OBE DL  
Kulvindir Ghir  
Michele Guinness  
George Harris  
Esme Howard  
K.K.Jajodia  
Fazeelah Jeerooburkhan  
Marguerite Littman  
Lyn Rothman  
Robin Rowland  
Kim Samuel Johnson  
Vinod B. Tailor  
Nina Wadia  
Rt Hon Paul Boateng LLB (Hons)  
Janet Boateng  
H.E. Joan Rwabyomere

**TRUSTEES /NON EXECUTIVE DIRECTORS**

Helen Taylor Thompson FRSA MBE (Chair)  
Colleen Robinson FSI (Dip) (Vice Chair)  
Olu Olasode B Sc M Sc MBA IPSM FCCA  
John Hacker  
Dr Josephine Munthali MSc. PhD

**COMPANY SECRETARY**

Tracey Stanbury

**EXECUTIVE DIRECTOR**

Stephen Clarke

**SOLICITORS**

Pothecary and Barratt  
Talbot House, Talbot Court, Gracechurch Street, London EC2

Thare Machi Ltd  
*Technology Bringing Knowledge and Hope*

Trustees Report Year Ended 31 March 2008

The Trustees present their report along with the financial statement of the charity for the year ended the 31<sup>st</sup> March 2007. The financial statement has been prepared based on the accounting policies set out in note one of the financial statement and comply with the charity's trust deed. Thare Machi Education is a charity registered with the Charity Commission under the registration number 1080131.

**Legal and administrative information**

**TRUSTEES**

Helen Taylor Thompson	Chairman
Colleen Robinson	Vice Chair
Olu Olasode	Treasurer
John Hacker	
Josephine Munthali	

**OFFICERS**

Stephen Clarke	Executive Director
Tracy Stanbury	Company Secretary

**PRINCIPLE OFFICE**

Connaught House  
Morrell Street  
CV32 5SZ

Tel: 01926 422711  
[www.tme.org.uk](http://www.tme.org.uk)

**ACCOUNTANTS**

tl first,  
1 Copers Cope Road  
Beckenham  
Kent  
BR3 1NB

**BANKERS**

Barclays Bank  
1 Church Road  
Burgess Hill  
Sussex  
RH15 9BD

**SOLICITORS**

Pothecary and Barratt  
Talbot House  
Talbot Court  
Gracechurch Street  
London  
EC2

### Structure, Governance and Management

The Trustees that held office during the financial year and at the date of this report are set out above. The Trust deed allows for up to 10 Trustees to be appointed. Trustees serve until they resign or come up for re-election. One third of the board of Trustees retire annually by rotation, but are immediately eligible for re-election. New Trustees are nominated by existing members of the board and are appointed, where they have the necessary skills to contribute to the charity's management and development. New Trustees are provided with information that they need to fulfill their roles, including information about the role of Trustees and charity law. Of the existing Trustees, three have been Trustees since the inception of the charity in the year 2000 and the other three for more than one year.

The Trustee group meets four times a year with one of these sessions being in January and taking the form of a full day for strategic planning of the forthcoming financial year. (April - March) Although Trustees have not been allocated specific areas of responsibility in the past, this remains an aspiration for the next financial year.

The charity's Chief Executive is responsible for the day-to-day running of operations within the charity and managing the three other staff members of the charity on behalf of the Trustees.

The charity has its main office in Leamington Spa in Warwickshire with supporting activities being carried out at the Chairman's house in Sussex. No remuneration is paid for the use of the Chairman's facilities.

In addition there is a strong group of "Associates" comprised of self funded people who assist, either with a function in the organisation or a particular task in order to help us fulfill our objectives. Associates are appointed by the Trustees on the basis of an application form and the recommendation of the Executive Director. The Executive Director is responsible for allocating duties to, and supervising the activities of the Associates.

The core business of the charity is in producing interactive audiovisual lessons - currently on DVD - for the benefit of people in the developing world. In addition the charity is also aiming to form links with other organisations and individuals overseas with a view to distribution and implementation on the ground. The charity has no overseas staff members but simply links to existing community groups and networks in the countries concerned. During 2006/2007 Thare Machi Education has active links with partners in the following countries: Cambodia, India South Africa, Kenya, Malawi and Uganda.

The relationship between Thare Machi Education in the UK and local partners overseas is one of a true partnership. Our ideal model involves working with the local partners so that they produce translations and recordings from our English scripts. These are often exchanged for hardware and equipment in which to play the educational DVDs.

The DVDs themselves are produced by Eurotalk interactive, a new media company based in London, which remains one of our major supporters. At present the discs are provided at no cost to ourselves.

### Risk Management

The activities of the charity have been subjected to a risk assessment and these can be categorised into risks, which have low possible consequences, and risks, which have high possible consequences.

The risks have been identified as follows:

#### **Risks to do with the product (educational DVDs).**

- Functionality of players and functionality of discs.
- The quality of production.
- The reliability of production.
- The quality of English scripts.
- The quality of translated scripts.
- The quality of lessons and images
- The appropriateness of lessons images.

**Risks to do with the organisation:** Thare Machi Education and subdivisions of this would be a

- Quality and number of partner's,
- Availability of funding,
- Quality and reliability of staff,
- Quality and reliability of Associates
- Quality and reliability of Trustees.

The **MAJOR** risks to the progress and development of the charity have been identified as:

- The quality and reliability of production.
- The quality of the content of the discs.
- The quality of the staff.

These risks have been mitigated by the following activities:

- Exploration of alternative methods of production, to avoid over reliance on Eurotalk.
- Peer review and cross checking of lesson content.
- Development and training of staff to avoid reliance on any one individual.

The trustees review these risks on an annual basis and the following principles are embedded in the organisation to minimise the risks.

- Strong emphasis on relationships running horizontally and vertically throughout the organisation.
- Maintaining adequate reserves.
- Appropriate insurance cover.

In assessing risk, the Trustees recognise that any international operation requires the acceptance of, and management of risks, if the key objectives of the charity are to be achieved.

### **Objectives and Activities**

Thare Machi Education is a UK based, non-governmental, non political and non religious organisation established in 2000, it is constituted under a Memorandum of Association dated 29 January, 2000 and is registered as a charity with the Charity Commission. The Memorandum of Association defines the charity's objectives as being:

- To educate and train young people and children (the beneficiaries) in any part of the world where social and economic conditions put them at risk of exploitation, particularly from prostitution or forced labour, so that they may fulfill their potential and their conditions of life may be improved.
- To promote the protection and preservation of health amongst the beneficiaries by informing and assisting them in avoiding the Human Immunodeficiency Virus.
- To relieve disability and to relieve disability amongst the beneficiaries in any part of the world by the provision of medical and surgical treatment and by providing education and training designed to enable them to overcome their disability".

In pursuing these objects, Thare Machi Education has focused on producing and developing a growing library of interactive audiovisual lessons that are currently being published on digital versatile discs (DVDs). Initially, these were focused on the prevention of infection of HIV/AIDS, but they have grown to include the wider social context of the disease in a number of different geographical and cultural locations.

The activities currently carried out by the charity can be categorised into the following:

#### **Creation of New Lessons in English**

- Drafting, reviewing and finalising the scripts for new lessons in English.
- Selecting appropriate images to illustrate the teaching content of each new lesson.
- Refining and signing off a new interactive DVD in English.

#### **Creation of New Lessons in Other Languages**

- Translating the English script of that new lesson into the languages of our partners.
- Recording the sound track of the new lesson in the languages of our partners.
- Producing and signing off a new interactive DVD of a new topic for our partners.

#### Distribution and Marketing

- Forming links with new partners in developing countries and inviting them to implement and use the DVDs on the ground.
- Supply of new DVD discs to existing partners and existing discs to new partners.

#### Organisational Functions

- Operations associated with the efficient running of the charity including fund raising, reporting and accounting.

The charity delivers its activities through the use of our own staff and through and the previously mentioned Trustees and Associates. Thare Machi Education has three full time and one part time staff members:

Stephen Clarke	Executive Director
Bev Pettie	Project Manager
Emma Osborne	Office Manager
Kay Bugg	Accounts Assistant

In addition Helen Taylor Thompson, Chair of Trustees and Tracy Stanbury, Company Secretary are actively involved on a daily basis.

A major component of our modus operandi is to co-opt the skills, abilities and time of the growing group of "Associates". This means that a vast proportion of the activities of the charity are achieved through donations in kind and during the year 2006/2007 these activities are not fully reflected in the balance sheet. It is intended in the financial year these activities will be increasingly valued and appear in the accounts.

#### Activities

This Trustees report covers the eighth year of Thare Machi Education's existence as a registered charity and limited company. Activities focused on creating new lesson in English and recording soundtracks of existing English lessons in other languages. Since the beginning of the charity's existence, the following outputs have been completed:

**Total Lessons Completed in Lessons in English: 25**

	Country	Translations Finished	Lessons Completed
1	India	45	14
2	Sri Lanka	6	5
3	China	11	7
4	Cambodia	3	25
5	Malawi	0	12
6	Kenya	4	21
7	South Africa	14	51
8	Uganda	29	30
9	DR Congo	3	1
10	Zambia	7	0
11	Ghana	1	0
12	Nigeria	1	3
13	Sierra Leone	2	0
	Total	126	169

Some of these products have been published by our partners Eurotalk, but most have been published by TME. Nearly all the discs have been manufactured and supplied free of charge by Eurotalk. The total for South Africa includes 4 titles in 13 languages which are being manufactured by Trans Africa Media in Johannesburg and they were not quite complete by the end of the reporting period.

Consistent with the objective of sourcing other methods of lesson production, Charles Hartwell has been exploring possible methodologies and is developing a software application which will assist with producing a new generation of lessons. Whilst not as comprehensive and complicated as the Eurotalk model, the objective is enable cost – effective production and localisation into other languages of new lesson titles. This activity will make the charity less dependent on one supplier and thereby mitigate the major risks to do with production outlined above.

#### Investment Policy

The Trustees have the power to invest such assets as they see fit. As the Charity has benefited from the generosity of significant benefactors, our cash reserves have been held in a high interest deposit account.


#### Plans for the Future

During the Trustee's strategic planning in January 2008, objectives for 2008/2009 were agreed:

- Make a priority of getting the 126 soundtracks for lessons which have already been translated, recorded and the new discs made.
- Contact all partners re plans for 2008.
- Circulate simple questionnaire to partners asking about impact (see 1st draft attached).
- Explore larger distribution models eg.
  - Fix local price in each country.
  - Companies and governments: request for a donation to us in UK.
  - Charities overseas: supply free.
  - Charities in UK: supply and explain costs inviting donation.
  - Invite ideas and tenders for distribution on a larger scale.
- Animate existing and new Associates.
- All Associates should sign a disclaimer regarding liability to TME.
- Commission external impact study.
- Resurrect Financial policy and implement.
- Research costs of owning our own building.
- Produce 10 subjects in each base language.
- Focus on new lessons on HIV.
- Ask partners to inform district government health departments of our materials.

**Stephen Clarke**  
Executive Director

August 2008



Stephen Clarke

#### **ACCOUNTANTS' REPORT**

Based on the information supplied to us, we now have the pleasure in attaching your unaudited Accounts for the year ended 31 March 2008.

As directors of the charity, you are required by statute to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of its profit or loss for that period. In preparing those accounts you must:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent; and
- Prepare the accounts on the going concern basis unless it is not appropriate to presume that the company will continue in business.

It is your responsibility to keep proper accounting records which disclose with reasonable accuracy at any particular time the financial position of the company. It is also your responsibility to safeguard the assets of the company and for taking reasonable steps for the prevention of and detection of fraud and other irregularities with an appropriate system of internal controls.

You are also responsible for determining whether, in respect of the year concerned, the company meets the conditions for exemption from audit set out in Section 249A of the Companies Act 1985, and for determining whether, in respect of the year, the exemption is not available for any reasons set out in Section 249B of the Companies Act 1985

Our work did not constitute an audit of the accounts in accordance with Auditing Standards. Accordingly we did not seek any independent evidence to support the entries in the accounting records, or to prove the existence, ownership or valuation of assets or completeness of income, liabilities or disclosure in the accounts. Nor did we assess the reasonableness of any estimates or judgements made in the preparation of the accounts. Consequently our work will not provide any assurance that the accounting records are free from material misstatement, irregularities or error. In the course of our work, we have placed reliance on the information and representations provided by you, or your representatives.

**Rev Olu-Segun Olasode BSc MSc MBA IPSM FCCA**  
**For TL First Accountants & Consultants**

September 2008



THARE MACHI LTD; THE STARFISH INITIATIVE  
ABBREVIATED ACCOUNTS AND TRUSTEES REPORT  
YEAR ENDED 31 MARCH 2008

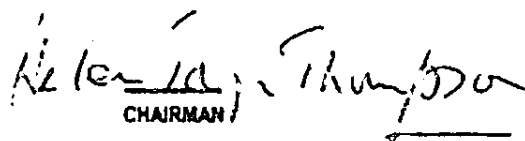
Statement of Financial Activities	Notes	2008 Restricted Funds £	2008 Unrestricted Funds £	2008 Total Funds £	2007 Total Funds £
<b>Incoming resources</b>					
Incoming resources from generated funds:					
Voluntary income	2	0	48,501	48,501	271,507
Investment income	2	0	16,645	16,645	9,636
Incoming resources from Charitable Activities		0	0	0	0
Other Incoming Resources	2	0	814	814	12,398
<b>Total incoming resources</b>		<b>0</b>	<b>65,960</b>	<b>65,960</b>	<b>293,541</b>
<b>Resources expended</b>					
<b>Cost of generating funds</b>					
Cost of generating fundraising income	3	0	6,586	6,586	357
Cost of charitable activities	3	0	89,404	89,404	206,293
Cost of goods sold		0	0	0	0
Investments management costs		0	0	0	0
Governance costs		0	0	0	0
<b>Total resources expended</b>		<b>0</b>	<b>95,990</b>	<b>95,990</b>	<b>206,650</b>
<b>Net incoming / expenditure for the year before transfer</b>		<b>0</b>	<b>-30,030</b>	<b>-30,030</b>	<b>86,891</b>
<b>Gains on revaluation of fixed assets</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net movement in funds</b>		<b>0</b>	<b>-30,030</b>	<b>-30,030</b>	<b>86,891</b>
<b>Total funds brought forward</b>		<b>0</b>	<b>400,919</b>	<b>400,919</b>	<b>314,028</b>
<b>Total funds carried forward</b>		<b>0</b>	<b>370,889</b>	<b>370,889</b>	<b>400,919</b>

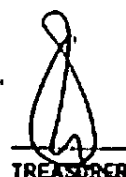
**BALANCE SHEET**

	Notes	2008 £	2008 £	2007 £
<b>Tangibles</b>				
Fixed Assets	6		6,022	2,479
Investments			0	0
<b>Current assets</b>				
Stock : items for resale			0	0
Debtors & Prepayments	7 8	3,694		1,585
Cash and Bank		<u>361,173</u>		396,855
<b>Net Current Assets</b>			<u>364,867</u>	
<b>Total Assets less liabilities</b>			<u>370,889</u>	<u>400,919</u>
<b>Income funds :</b>				
Restricted Fund			0	0
Unrestricted Funds			<u>370,889</u>	<u>400,919</u>
<b>Total Funds</b>			<u>370,889</u>	<u>400,919</u>

For the year ended March 31<sup>st</sup> 2008 the company was entitled to exemption under section 249A(1) of the Companies Act 1985. No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 249(2). The directors acknowledge their responsibility for i) Ensuring that the company keeps accounting records which comply with section 221; and ii) Preparing accounts which give a true and fair view of the state of affairs of the company as at the end of its profit and loss for the financial year in accordance with section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts so far as applicable to the company.

APPROVED BY THE BOARD OF TRUSTEES ON : 23<sup>rd</sup> September 2008

  
 CHAIRMAN

  
 TREASURER

**NOTES TO THE FINANCIAL STATEMENTS - 31 March 2008**

**1 ACCOUNTING POLICIES**

**(A) Accounting Convention & Compliance**

These accounts have been drawn up on the basis of a going concern and the financial statements prepared under the historical cost convention in accordance with applicable Standards, Financial Reporting Standards and the Charities Acts 1992 & 1993. The statements comply with best practice and reflect the requirements of the revised Statement of Recommended Practice (SORP) 2 "Accounting for Charities"

**(B) Recognition of Income and Expenditure**

Income and Expenditure are recognised on an accrual basis. Donations and legacies are accounted for as received and accrued only when a value can be established before payment is received.

**General Funds**

Revenue grants and other income and expenditure associated with the general operations of the charity and its international projects are dealt with in the General Funds.

**Restricted Funds**

These comprise donations, legacies or other income, the use of which has been specified by the donor. There is currently no restricted fund.

**Endowment Funds**

There is currently no endowment fund.

**(C) Depreciation**

All fixed assets are capitalized. The charge for depreciation is calculated to write off the cost of the fixed assets over their useful lives on the following bases:

Fitting Container	10% on the reducing balance
Classroom Contents	10% on the reducing balance
Equipment	10% on the reducing balance

Assets are depreciated from the time at which they are brought into use.

## 2. INCOMING RESOURCES

Voluntary Income	Unrestricted Funds 2008 £	Restricted Funds 2008 £	Designated Funds 2008 £	Total Funds 2008 £	Total Funds 2007 £
Grants and Donations	40,572	0	0	40,572	194,197
Gifts in kind	0	0	0	0	0
Legacies	0	0	0	0	0
Gift aid reclaimed	7,929	0	0	7,929	77,310
<b>Total voluntary income</b>	<b>48,501</b>	<b>0</b>	<b>0</b>	<b>48,501</b>	<b>271,507</b>
<b>Investment income</b>					
Bank interest received	16,645	0	0	16,645	9,636
<b>Other income</b>					
Income from sales and services	474	0	0	474	4,941
Sundry income	340	0	0	340	7,457
<b>Total other income</b>	<b>17,459</b>	<b>0</b>	<b>0</b>	<b>17,459</b>	<b>22,034</b>
<b>Total annual income resources</b>	<b>65,960</b>	<b>0</b>	<b>0</b>	<b>65,960</b>	<b>293,541</b>

### 3.RESOURCES EXPENDED

	Cost of Generating Funds £	Cost of Charitable Activities £	Governance Costs £	Other Resources Expended £	Total 2008 £	Total 2007 £
<b>Direct costs</b>						
Staff costs	0	60,569	0	0	60,569	43,261
Trustees costs	0	1,828	0	0	1,828	370
Fund raising & marketing	6,586	0	0	0	6,586	357
Project costs	0	3,125	0	0	3,125	69,478
Partnership costs	0	5,690	0	0	5,690	2,398
Donations	0	3,081	0	0	3,081	73,363*
Events costs	0	1,675	0	0	1,675	2,144
<b>Total Direct costs</b>	<b>6,586</b>	<b>75,968</b>	<b>0</b>	<b>0</b>	<b>82,554</b>	<b>191,371</b>
<b>Indirect costs</b>						
Office & admin costs	0	3,857	0	0	3,857	4,394
Printing & stationery	0	877	0	0	877	581
Depreciation charge	0	667	0	0	667	276
Travel	0	493	0	0	493	2,684
Bank charges	0	0	0	0	0	0
Insurance costs	0	597	0	0	597	0
Rent	0	6,945	0	0	6,945	7,344
<b>Total Indirect costs</b>	<b>0</b>	<b>13,436</b>	<b>0</b>	<b>0</b>	<b>13,436</b>	<b>15,279</b>
<b>Total Resources Expended</b>	<b>6,586</b>	<b>89,404</b>	<b>0</b>	<b>0</b>	<b>95,990</b>	<b>206,650</b>

**4. NET OUTGOING RESOURCES FOR THE YEAR**

	2008	2007
	£	£
The net movement in funds for the year is stated after charging Depreciation of tangible assets owned by the Charity of	<u>668</u>	<u>276</u>

**5 a. STAFF COSTS**

	2008	2007
	£	£
Salaries and social security costs	<u>60,569</u>	<u>43,261</u>

No employee received remuneration of more than £60,000 per annum.

**5b. TRUSTEES REMUNERATION**

The trustees received no remuneration for their duties to the Charity during the year.

THARE MACHI LTD; THE STARFISH INITIATIVE  
 ABBREVIATED ACCOUNTS AND TRUSTEES REPORT  
 YEAR ENDED 31 MARCH 2008

<b>6. TANGIBLE FIXED ASSETS (2008 IN £'S)</b>	<b>Fitted container £</b>	<b>Classroom Contents £</b>	<b>Equipment £</b>	<b>Total £</b>
<b>Cost</b>				
At 01/04/07	0	0	2,755	2,755
Addition	0	0	4,212	4,212
<b>Cost at 31/03/08</b>	<b>-</b>	<b>-</b>	<b>6,967</b>	<b>6,967</b>
<b>Depreciation</b>				
At 01/04/07	0	0	276	276
Charge for the year	0	0	669	669
<b>Total depreciation at 31/3/08</b>			<b>945</b>	<b>945</b>
<b>Net book value 31/03/08</b>	<b>0</b>	<b>0</b>	<b>6,022</b>	<b>6,022</b>
<b>Net book value at 31/03/07</b>	<b>0</b>	<b>0</b>	<b>2,479</b>	<b>2,479</b>

<b>7. Debtors &amp; Prepayments</b>	<b>2008 £</b>	<b>2007 £</b>
Inland Revenue-Gift Aid	2,954	-
Insurance	740	0
Rent	-	1578
	<b>3,694</b>	<b>1,578</b>

<b>8. BANK &amp; CASH BALANCES</b>	<b>2008 £</b>	<b>2007 £</b>
Barclays current account	5,012	6,428
E- deposit account	355,924	390,279
Petty cash account	113	117
Dollar petty cash account	124	31
<b>Total</b>	<b>361,173</b>	<b>396,855</b>

I report on the accounts of the Trust for the year ended 31<sup>st</sup> March 2008, as are set out on pages 7 to 14.

#### RESRPECTIVE RESPONSIBILITIES OF THE TRUSTEES AND THE EXAMINER

As the Charity's Trustees you are responsible for the preparation of the accounts; you consider that the audit requirement of section 43(2) of the Charities Act 1993(the Act) does not apply. It is my responsibility to state, on the basis of procedures specified in the General Directions given by the Charity Commissioners under Section 43(7)(b) of the Act, whether particular matters have come to my attention.

#### BASIS OF INDEPENDENT EXAMINER'S REPORT

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

#### INDEPENDENT EXAMINER'S STATEMENT

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

(1) Which gives me reasonable cause to believe that in any material respect the requirements

- to keep accounting records in accordance with Section 41 of the Act: and
- to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the Act

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Ray Kennedy ACMA  
Independent Examiner

