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THARE MACHI LTD
Technology Bringing Knowledge And Hope

Abbreviated Accounts
31 March 2009

Charity No. 1080131

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COMPANIES HOUSE

THARE MACHI LTD; THE STARFISH INITIATIVE
ABBREVIATED ACCOUNTS AND TRUSTEES REPORT
YEAR ENDED 31 MARCH 2009

ADDRESS: Box 4040, Leamington Spa CV32 5YJ

REGISTERED CHARITY NUMBER 1080131
Company Limited by Guarantee Incorporation Number 03921677

PATRONS

Duchess of Norfolk
Lord Bilimoria CBE DL
Linda Bennett
Paul Boateng LLB (Hons)
Janet Boateng
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
Bishop Joseph Kobo
Marguerite Littman
Lyn Rothman
H.E. Joan Rwabyomere
Kim Samuel Johnson
Vinod B. Tailor
Nina Wadia

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
Simon Mabley

COMPANY SECRETARY

Tracy Stanbury

EXECUTIVE DIRECTOR

Stephen Clarke

SOLICITORS

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

THARE MACHI LTD; THE STARFISH INITIATIVE
ABBREVIATED ACCOUNTS AND TRUSTEES REPORT
YEAR ENDED 31 MARCH 2009

Thare Machi Ltd
Technology Bringing Knowledge and Hope

Trustees Report Year Ended 31 March 2009

The Trustees present their report along with the financial statement of the charity for the year ended the 31st March 2009. 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	
Simon Mabley	

OFFICERS

Stephen Clarke	Executive Director
Tracy Stanbury	Company Secretary

PRINCIPLE OFFICE

Connaught House
Morrell Street
Leamington Spa
CV32 5SZ

Tel: 01926 422711
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, two others for more than one year and a new trustee – Simon Mabley was appointed during the reporting period.

The Trustee group meets four times a year with one of these sessions 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 2008/2009 Thare Machi Education had active links with partners in the following countries: Cambodia, India, South Africa, Kenya, Malawi, Uganda and Zambia

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. We will provide one copy of any of our DVD discs to a potential user free of charge with the agreement for the disc(s) to be copied by that potential user at will.

During the reporting period, the decision was taken by the Trustees to develop our own in-house disc production capability. This was to enable TME to have more control over disc quality and supply chain. Up to this point Eurotalk© Interactive have very generously produced all of our discs free of charge, and this has been very significant in the organisation's development.

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 lesson images.

Risks to do with the organisation:

- Quality and number of partners,
- 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.
- Availability of funding

These risks have been mitigated by the following activities:

- Decision to bring all disc production in-house.
- Peer review and cross checking of lesson content.
- Detailed testing of every new title that is produced in every language.
- Development and training of staff to avoid reliance on any one individual
- Commissioning of a major evaluation of the efficacy of the discs in order to produce a funding proposal document for 2010/2011 to develop new funding streams.

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 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 list of 28 topics completed in English and available to be localized into other languages is as follows:

HIV/AIDS
Caring For Someone With AIDS
Safe Water
Diarrhoea
Planting Trees is Good
You and Your New Baby
Healthy Eating
High Blood Pressure
Dangers of Smoking
Safer Sex for Teenagers

Having an HIV Test
Avoiding Malaria
Basic Hygiene
Bednets Save Lives
Making Compost
Say No To Glue And Drugs
Beware Of Landmines
Cholera
Becoming a Man

Living with HIV
TB Can Be Cured
Breastfeeding
Immunisation
When To Have A Baby
Looking After Your Teeth
TBA Skills (Pregnancy)
Dangers of Alcohol
Becoming a Woman

Creation of New Lessons in Other Languages

- Translating the English scripts of the lessons above 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.

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.

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 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 Hartwell	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 2008/2009 these activities are not fully reflected in the balance sheet. It is intended in the coming financial year these activities will be increasingly valued and appear in the accounts.

Activities

The Charity continued with the process of developing new lesson/language title combinations as well as actively exploring new production methods. Various activities concerned with improving strategic planning were carried out including a brainstorming session on 16th April on distribution and marketing, and the drafting of a five year plan. Further discussions were had with the Chandrani family regarding TME India which has been created as an independent autonomous Indian registered charity. Due to constraints beyond our control it is likely that this will remain dormant until early 2010.

A collaboration with Panasonic during the reporting period generated 24 days of staff time seconded to TME specifically to look at developing a route to market for our products. This took the form of two people for 12 days each focusing on a separate country – India and South Africa. Reports and recommendations were received and fed into the strategic planning process.

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. Consideration was given to securing funds for acquiring and refurbishing a building, which would eliminate our office rental costs and be a net earner through letting out surplus space. A professional evaluation would be needed for this.

Plans for the Future

During the Trustees' strategic planning in January 2009, objectives for 2009/2010 were agreed
The focus for the next period will be on six countries:

India, South Africa, Cambodia, Uganda, Kenya and Rwanda.

Countries on the watch list for assistance are;

China, Democratic Republic of Congo, Ghana, Nigeria and Zambia

The Objectives for the next period are recorded as:

Independence in lesson production

Evaluation of the efficacy of the discs

1,000,000 viewings by 2015

Creation of a country plan for 12 countries

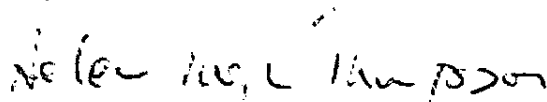
Establishing a distribution mechanism in 8 countries

Developing a more sustainable income

Launch of TME India



Olu Olasode;
Treasurer



Helen Taylor Thompson;
Chairman

ACCOUNTANTS' AND INDEPENDENT EXAMINER'S REPORT

I report on the accounts of the charity for the year ended 31 March 2009, as are set out on **pages 8 to 14**.

As directors and Trustee of the company, 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.

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.

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.

Olu-Segun Olosode BSc MSc MBA IPSM FCCA
For TL First Accountants & Consultants

THARE MACHI LTD; THE STARFISH INITIATIVE
ABBREVIATED ACCOUNTS AND TRUSTEES REPORT
YEAR ENDED 31 MARCH 2009

Statement of Financial Activities	Notes	2009 Restricted Funds £	2009 Unrestricted Funds £	2009 Total Funds £	2008 Total Funds £
Incoming resources from generated funds:	2				
Incoming resources		-	92,356	92,356	65,960
Total incoming resources		-	92,356	92,356	65,960
Resources expended	3				
Cost of generating funds		-	147,433	147,433	95,990
Total resources expended		-	147,433	147,433	95,990
Net incoming / expenditure for the year before transfer		-	-55,077	-55,077	-30,030
Gains on revaluation of fixed assets		-	-	-	-
Net movement in funds		-	-55,077	-55,077	-30,030
Total funds brought forward		-	370,889	370,889	400,919
Total funds carried forward		-	315,812	315,812	370,889

THARE MACHI LTD; THE STARFISH INITIATIVE
ABBREVIATED ACCOUNTS AND TRUSTEES REPORT
YEAR ENDED 31 MARCH 2009

BALANCE SHEET

	Notes	2009 £	2009 £	2008 £
Tangibles				
Fixed Assets	6		6,951	6,022
Investments			8,579	-
Current assets				
Stock : items for resale				-
Debtors & Prepayments	7	1,282		3,694
Cash and Bank	8	302,389	303,671	361,173
Current Liabilities	9		3,389	-
Net Current Assets			300,283	364,867
Total Assets less liabilities			315,812	370,889
Income funds :				
Restricted Fund			-	-
Unrestricted Funds			315,812	370,889
Total Funds			315,812	370,889


For the year ended 31 March 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 249b (2). The directors acknowledge their responsibility for:


- Ensuring the company keeps accounting records which comply with section 221;
- 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 Trustees on 29th June

These accounts are prepared in accordance with the SORP 2005

All incoming resources and resources expended derive from continuing activities.


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:

Other Equipment	10% on the reducing balance
Computer Equipments	25% on the reducing balance

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

2. INCOMING RESOURCES

Voluntary Income	Unrestricted Funds 2009 £	Restricted Funds 2009 £	Total Funds 2009 £	Total Funds 2008 £
Grants and Donations	37,458	-	37,458	40,572
Gifts in kind - Eurotalk Discs	31,498	-	31,498	-
Trust Income	500	-	500	-
Gift aid reclaimed	1,713	-	1,713	7,929
Total voluntary income	71,169	-	71,169	48,501
Investment income				
Bank interest received	12,144	-	12,144	16,645
Other income	464	-	464	814
Total other income	12,608	-	12,608	17,459
Total annual income resources	83,777	-	83,777	65,960

**3.RESOURCES
EXPENDED**

	Cost of Generating Funds £	Cost of Charitable Activities £	Total 2009 £	Total 2008 £
Direct costs				
Staff costs	-	74,491	74,491	60,569
Trustees costs	-	991	991	1,828
Fund raising & marketing	-	-	-	6,586
Project costs	-	7,500	7,500	3,125
Partnership costs	-	-	-	5,690
Training Costs	-	863	863	-
Professional Fees	-	5,000	5,000	-
Donations	-	10,557	10,557	3,081
Eurotalk Discs	-	31,498	31,498	-
Events costs	-	857	857	1,675
Total Direct costs	-	131,756	131,756	82,554
Indirect costs				
Office & admin costs	-	2,245	2,245	3,857
Printing & stationery	-	1,966	1,966	877
Depreciation charge	-	1,581	1,581	667
Travel	-	3,381	3,381	493
Bank charges	-	60	60	0
Insurance costs	-	740	740	597
Rent	-	4,705	4,705	6,945
Accounting Fees	-	1,000	1,000	-
Total Indirect costs	-	15,677	15,677	13,436
Total Resources Expended	-	147,433	147,433	95,990

THARE MACHI LTD; THE STARFISH INITIATIVE
 ABBREVIATED ACCOUNTS AND TRUSTEES REPORT
 YEAR ENDED 31 MARCH 2009

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

1,581 **667**

5. STAFF COSTS

2008 **2007**

£ **£**

Salaries and social security costs

74,491 **60,569**

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

6. TANGIBLE FIXED ASSETS

Computer **Other** **Total**
Equipment **Equipment**
£ **£** **£**

Cost

At 01/04/08 - 6,967 6,967

Addition 2,510 - 2,510

Cost at 31/03/09 **2,510** **6,967** **9,477**

Depreciation

At 01/04/08 - 945 945

Charge for the year 727.45 853.20 1,580.65

Total depreciation at 31/3/09 **727.45** **1,798.20** **2,525.65**

Net book value 31/03/09 **1,782.35** **5,169** **6,951**

Net book value at 31/03/08 **-** **6,022** **6,022**

THARE MACHI LTD; THE STARFISH INITIATIVE
 ABBREVIATED ACCOUNTS AND TRUSTEES REPORT
 YEAR ENDED 31 MARCH 2009

7. DEBTORS AND PREPAYMENTS	2009	2008
	£	£
Inland Revenue-Gift Aid	536	2,954
Insurance	631	740
Other Debtors	115	-
	<u>1,282</u>	<u>3,694</u>

8. BANK & CASH BALANCES	2009	2008
	£	£
Barclays current account	4,083	5,012
E- deposit account	75,063	355,924
Petty cash account	99	113
Dollar petty cash account	139	124
CCLA - COIF	223,005	-
Total	<u>302,389</u>	<u>361,173</u>

9. Current Liabilities	2009	2008
	£	£
Accruals	3,389	-
	<u>3,389</u>	<u>-</u>