

Charity Registration No. 1122809

Company Registration No. 05717237 (England and Wales)

**PEARL OF AFRICA CHILD CARE LIMITED**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 28 FEBRUARY 2019**

**∴RickardLuckin**

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# PEARL OF AFRICA CHILD CARE LIMITED

## LEGAL AND ADMINISTRATIVE INFORMATION

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### Trustees

R G Whaite, Chairman  
R Brocken  
D Tonge  
E Tonge  
R Byass

(Appointed 24 July 2018)  
(Appointed 24 July 2018)  
(Appointed 31 August  
2019)

### Charity number

1122809

### Company number

05717237

### Registered office

40 St Dunstons Road  
London  
W7 2HB

### Independent examiner

Rickard Luckin Limited  
7 Nelson Street  
Southend-on-Sea  
Essex  
SS1 1EH

### Bankers

NatWest Bank Plc - Lewes  
11 High Street  
Lewes  
East Sussex  
BN7 2ZX

Barclays Bank plc  
Burgess Hill  
Lewes Area Branches 1  
Lewes  
East Sussex  
RH15 9BD

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# PEARL OF AFRICA CHILD CARE LIMITED

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# PEARL OF AFRICA CHILD CARE LIMITED

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 28 FEBRUARY 2019

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The trustees present their report and financial statements for the year ended 28 February 2019.

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 Memorandum and Articles of Association, the Companies Act 2006 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)" (as amended for accounting periods commencing from 1 January 2016)

### **Objectives and activities**

Pearl of Africa Child Care Ltd (PoACC) is a registered charity whose purpose is to improve access to education, health and welfare for children suffering through disease, war and poverty in Uganda.

We work towards this purpose by supporting our beneficiaries the Molly and Paul Child Care Foundation (MPCCF), a registered Ugandan non-governmental organization (NGO) and charity (registered number (Uganda) S.5914/481 NGO), with whom we have a close working relationship. This relationship is governed by a Memorandum of Understanding. With origins over 30 years old, today MPCCF's team runs 6 schools, 12 children's homes, a farm school and one clinic in southern Uganda. They provide education, food, accommodation and basic healthcare for over 2,000 children, many of whom are orphans or otherwise destitute.

Our main areas of activity are these:

- Ensuring greater access to education for children at risk of not attending school.
- Improving the nutrition of children in MPCCF schools by better access to food and clean water.
- Providing shelter and care to children in need.
- Improving access to basic healthcare for children in MPCCF schools, and families living in nearby villages.
- Promoting and encouraging sustainable projects.

We continue to rely on the generosity of volunteers across the country who gift their time, money and enthusiasm to the work of the charity. Many of our volunteers have shown extraordinary commitment and we are indebted to them all.

It is confirmed that, in carrying out the charity's activities, the Trustees have had regard to the Charity Commission's guidance on public benefit.

# PEARL OF AFRICA CHILD CARE LIMITED

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2019

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### Safeguarding

PoACC recognizes that the welfare of the child is paramount and accepts the need to provide a safe and caring environment for children and young people enabling them to reach their full potential.

We acknowledge that our beneficiaries (children, young people) can be the victims of physical, sexual, and emotional abuse, and neglect and remain strongly committed to the United Nations Universal Declaration of Human Rights and the International Covenant of Human Rights, along with the Convention on the Rights of the Child.

Beyond the statutory categories of children and vulnerable adults, PoACC also recognises the potential vulnerability of the adult Ugandans we work with, both here in the UK and in Uganda.

PoACC has long had a designated Safeguarding Officer and Deputy (neither being a Trustee) and adopted the procedures set out in the PoACC Safeguarding Policy in accordance with statutory guidance. This policy is subject to regular review by the Officers and Board, with recent attention being particularly directed to the growing problems of exploitation through the internet and social media.

PoACC strives to ensure no child or adult will be disadvantaged should they make a disclosure or allegation of abuse. During the MPCCF choir tours in the UK, all relevant host families are subject to enhanced Disclosure & Barring Service (DBS) checks, and in accordance with best practice we have a policy of renewing DBS checks every 3 years.

PoACC has worked closely with MPCCF's Board to draft and implement a Child Protection Policy for use in the Foundation and all of the units. This has included ongoing training for all members of staff within MPCCF.

We are proud to support an organization that is one of very few NGOs in Uganda with both a child protection policy and Child Protection Officer. We have shared the Ugandan safeguarding policy with other interested charities and NGOs, to help protect other vulnerable children.

We continue to rely on the generosity of volunteers across the country who gift their time, money and enthusiasm to the work of the Charity. Many of our volunteers have shown extraordinary commitment and we are indebted to them all.

# PEARL OF AFRICA CHILD CARE LIMITED

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2019

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### Achievements and performance

We continue to fund the audit of MPCCF accounts by reputable auditors in Uganda with expertise in the field of NGOs. Alongside other volunteer organizations, charities and individuals we continue to provide professional support and advice to MPCCF, especially in the fields of teaching, management and accounting, agriculture, and safeguarding.

Through our close working relationship, we are confident that MPCCF deliver the financial accountability and transparency that elude similar organizations in many countries and we continue to monitor the Foundation's accounts on a monthly basis to check they appropriately apply the funds entrusted to them. Our contribution continues to be welcomed as we work to broaden and deepen expertise in the areas of Management and Safeguarding.

During 2018/19, PoACC continued to support and raise funds where possible for the MPCCF. It has been a difficult year for the Charity financially because we were forced to abandon the intended fundraising UK tour by the The Pearl of Africa Children's Choir. The Choir usually tour each year during September to December in order to raise funds: given the expenses of travelling from Uganda and around England, before a tour will be financially viable, it needs to be of a certain minimum duration, meaning a minimum number of areas in the itinerary. Unfortunately, despite strenuous efforts during the planning phase for the 2018 tour, it did not prove possible to secure the participation of a sufficient number of areas to host the Choir, and the Trustees reluctantly concluded that a tour would not be financially viable in 2018. Trustees were acutely aware that the result of this decision would drastically reduce the income and future funding of all units across MPCCF, but considered that to go ahead with the tour was too much of a financial risk and, at best, unlikely to generate significant funds to be worthwhile.

In the light of the much reduced income, a decision was taken to direct funding to where it was in most need: i.e. Kamuzinda Children's village, whilst monitoring the units in Kampala over this period. The reasoning behind this decision was that the schools in Kampala receive additional funding from some fee-paying students, whilst the education in Kamuzinda is more heavily subsidised by the PoACC. This arrangement was to remain in place until a further choir tour could be arranged in the UK. (At the date of this report, the 2019 Choir Tour has just taken place).

# PEARL OF AFRICA CHILD CARE LIMITED

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2019

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In February 2019, two of the UK trustees visited Uganda again to inspect and carry out projects at MPCCF Kamuzinda Children's village unit. They talked to staff and children, and checked on management, accountancy across all units in Uganda and safeguarding procedures. We are pleased to see continued progress in Uganda as a result of our efforts and those of other supporters and identify the following achievements:

Children and staff across the schools continue to be motivated and dedicated to teaching and learning, even in spite of the challenges they face.

The grounds of Kamuzinda village remain well kept and safe.

There has been much support given to the PoACC from Ormskirk Clocktower Rotary Club. Following on from the previous year's Rotary International district grant when several Rotarians, together with two PoACC trustees and supporters travelled to Kamuzinda in February 2018 to help extend and rebuild part of the primary school at Kamuzinda, the group continued to fundraise and in September 2018 were able to provide further funding for windows, glass and doors to their project build.

In February 2019 this group again returned to complete the build by funding the extension and rebuild of the final four classrooms, including plastering and glazing at a further cost of around £7,000.

The effect of the rebuilt and extended school has substantially improved the school's effectiveness. Annet, a director of MPCCF based at Kamuzinda, has reported that the improved school has gained more students from the surrounding area, and that many of these are able to contribute financially towards their education. Whilst maintaining the vision of providing free education to those who cannot afford to pay, the extra fee-paying students slightly ease the financial problems MPCCF have.

A 'Global giving' campaign, also set up by Ormskirk Clocktower Rotary Club to support the work of M&PCCF also raised approximately £1,500 to extend one of the children's homes at Kamuzinda which houses 38 young children, aged two upwards, their Mama, and Brian, a severely disabled 19-year victim of polio, in three small and cramped rooms. Further funds were enough to buy new bunk beds, bedding and mosquito nets for the home.

As well as the donated funds, this group took over 400 pairs of shoes donated from a Lancashire community as a result of social media networking. These were handed out to the children, some of whom had never owned a pair of shoes. They also took clothes, first aid and educational resources.

In addition to having the satisfaction of seeing the building work progress, the Trustees, together with Rotarians, also travelled into the community to distribute bowls containing basic foodstuffs and household items to the most needy in the community - mostly grandparents raising their orphaned grandchildren, through AIDs, malaria or pneumonia. The children were students in the care of the Molly and Paul schools.

They also funded the repair of sewing machines which are now used to teach high school pupils how to make their own uniforms.

Further funding by the group visiting Kamuzinda has been used to build a new and larger kitchen and wood store, preparation room and cooking pots.

Solar panels were bought and installed at one of the houses, where the children had no electrical lighting in the evenings, which obviously hampered their learning.

There is an initiative to improve and vary the children's diet in Kamuzinda village; some children continue to maintain areas to grow their own vegetables and those Mamas keep a few goats.

The borehole in Kamuzinda remains a vital source of clean water for both children and villagers.

# PEARL OF AFRICA CHILD CARE LIMITED

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2019

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The Farm School Piggery Project continues to run, with a good number of pigs and piglets and well-maintained pens. There are also goats, rabbits and chickens and students have a small area to grow vegetables as part of their learning. We are discussing ways in which food production at the Farm School could be increased.

To improve nutrition, the medical orderly from the Kamuzinda Clinic has started a poultry project adjacent to his home which will help sustain some of the school units. He is also producing many vegetables and has planted orange trees.

The fish ponds at Kamuzinda have been cleared and will be ready for restocking very soon.

The Kamuzinda Clinic offers services to the Molly and Paul schoolchildren and staff and is the only clinic offering services to the local population within a 7 mile radius (8 villages). Its licence has been renewed as a 'level 3' clinic overseen by a Clinical Officer, who visits weekly. Treatment is free to all MPCCF staff and students.

The local population contributes very little to their treatment costs because of penury.

The Clinic continues to health-screen all MPCCF school children. General hygiene has improved significantly over recent years, due to greater awareness and a clean-up promotion in villages.

Most admissions are of those with malaria during the 2 rainy seasons. The provision of mosquito nets to the MPCCF homes always fluctuates.

30% of the Clinic's budget goes on drugs. The supply of drugs for the Clinic is precarious because of funding pressures.

New latrines are being built and are nearing completion.

To improve nutrition, a plot of 1 acre behind the Clinic has been purchased to plant with fruit-producing trees.

There remain challenges for the future:

There were several unfinished projects in Kamuzinda village, where more funding is required for them to be completed.

Staff across the schools highlighted the struggle with payment of salaries particularly in light of the financial cut backs caused by a lack of a UK Choir Tour.

The living area for students at the Farm School is particularly poor, situated next to the goat pens with cramped conditions and lack of light: it needs to be improved.

A medical orderly continues to run the clinic with two nurses; while the surgery and wards are clean, the clinic is in desperate need of maintenance and supplies, particularly medicines and laboratory supplies.

Conditions within the homes at Kamuzinda need to be improved: they are cramped with children often two to a bed, with little room to move between the beds, and areas designed to be sitting rooms are now used as extra sleeping space. Mamas often have small children sleeping with them.

Renewed efforts need to be made to keep a full supply of mosquito nets. They tend to have a short life.

Because of funding cuts by US Aid, Marie-Stopes withdrew from their franchise of the Clinic in 2016, thus reducing the access to Contraceptive and Reproductive Health Care. The aim is to restore sex education and healthcare back to their former levels.



# PEARL OF AFRICA CHILD CARE LIMITED

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2019

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### Financial review

Of the various English bodies contributing to MPCCF's operations, PoACC makes the biggest contribution.

At present, the cost of MPCCF's operations exceeds the funds available to it and so, with some advisory input from us and others, MPCCF has changed its policy objectives and reviewed, and continues to review, the scale and nature of its operations: MPCCF is now moving towards the objective of self-sustainability, by developing schemes that generate more income locally.

Our incoming resources during the year amounted to £86,265, the large drop from the previous year's figure of £186,327 being caused by the lack of the Choir Tour discussed above. Although fund-raising was carried out in other ways, the amount raised did not approach the amount typically generated by a Choir Tour. As a result, the amount the Charity was able to distribute to Uganda during the year fell by approximately one-third (£116,947, compared with £187,575 the previous year). Although MPCCF naturally were forewarned about the reductions in our bi-monthly transfers, they inevitably caused severe problems and disruption to MPCCF's activities throughout the year.

We recognize that dependency on tours needs to be reduced by attracting funding from a greater variety of sources, and initiatives are being taken in this direction.

The net funds raised are allocated in proportion to the MPCCF's budget for the relevant calendar year and we make transfers by instalments on a bi-monthly basis.

PoACC governance costs and expenses are kept to a minimum. Apart from the cost of running the tour, insurance and bank charges for the transfers to Uganda all our income is transferred to benefit the children we support. Some funding we send is restricted for particular purposes, such as specific projects for food or building work as per donor requests.

### Reserves

Our reserves are kept at a level that allows us both to spread our budgeted funding over the financial year and, monitoring our beneficiaries' needs, to meet occasional emergencies should they arise. Our budgets are discussed in advance with MPCCF.

PoACC does not generally incur liabilities (such as rent or salaries) and uses, directly or indirectly, virtually all its funds for its beneficiaries in Uganda. The level of unrestricted (designated) reserves is kept to a minimum consistent with a fairly even distribution throughout the year.

### Risk management

The Trustees have regularly reviewed the risks to which the charity is exposed and focusing on the Charity Commission's Risk Assessment Cycle, have implemented a risk management strategy that comprises:

- Identify, assess and prioritize risk and gain an understanding of how risks might present themselves. For each risk identified, there are actions agreed by the Trustees to manage or mitigate its effects.
- Robust governance and financial reporting to remove or reduce the risks of corruption or irregularities, as known risks of operating in Africa.
- Design systems and procedures to mitigate or manage the identified risk
- Implement procedures, seek and take advantage of training to support the Charity. Offer guidance to MPCCF in Uganda to manage the risks.
- Monitor and review performance, taking on board lessons learned.

Certain risks are inevitable because of the nature of the activities we engage in and their location in Uganda. We actively manage these risks.

# PEARL OF AFRICA CHILD CARE LIMITED

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2019

Certain risks relate to the size and structure of the beneficiary organisation and its need to become more self-sufficient. To help manage the available resources, and to mitigate such risks, we seek to recruit a Chief Operating Officer to MPCCF to strengthen its management, and help oversee development. This plan has been agreed in principle by the Boards of both PoACC and MPCCF.

We have a Memorandum of Understanding (MoU) with MPCCF. This governs our working relationship, and provides for accounting, reporting, and other essential matters. The MoU codified and built on the 'TAP' principles that have applied since the start of the relationship: that is, the principles of Transparency, Accountability, and Participation (i.e. active participation by all parts of MPCCF, not just senior management). Pursuant to the MoU, the Charity's relationship with MPCCF is itself subject to regular review.

Trustees aim to visit the Ugandan Foundation we support at least every 2 years for the purpose of monitoring their activities; between these visits, trustees of PoACC are in frequent contact with MPCCF by email or phone to obtain additional information and explanation as required, supplementing the regular reports.

### Structure, governance and management

Pearl of Africa Child Care Limited has charitable status: registered charity (England & Wales) number 1122809.

PoACC is controlled by its Memorandum & Articles of Association, and constitutes a limited company (registration (England and Wales) number 05717237), limited by guarantee, as defined by the Companies Act 2006.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

R G Whaite, Chairman

R Brocken

L Morgan

(Resigned 31 August 2019)

L Preece

(Resigned 31 August 2019)

D Tonge

(Appointed 24 July 2018)

E Tonge

(Appointed 24 July 2018)

R Byass

(Appointed 31 August 2019)

Trustee selection methods including details of any constitutional provisions e.g. election to post or name of any person or body entitled to appoint one or more trustees.

The criteria are as follows:

1. Membership of PoACC.
2. Commitment to the aims and the objectives of PoACC.
3. A specific set of skills and experience needed by the Charity and complementary to that of the other trustees.
4. The ability and preparedness to give time regularly to the running of the Charity.

The minimum number of Trustees is three with a maximum of nine. Each year one-third of Trustees (or the nearest number to one-third) are required to retire and may stand for re-election. Potential new trustees are identified by the board for the particular skills, knowledge or experience they can bring to enhance its skill set. The induction of new Trustees normally involves: attendance at one or more meetings as an observer prior to co-option, provision of recent minutes, financial reports and other relevant materials, and close liaison with other Trustees.

# PEARL OF AFRICA CHILD CARE LIMITED

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2019

The Trustees are guided in their responsibilities by the Company's Memorandum of Association and the Charity Commission's publication "Good Governance – A code for the Voluntary and Community Sector". The Trustees embrace the Code's six key principles which describe how an effective board provides good governance and leadership.

- Identify their role.
- Ensuring delivery of organisational purpose.
- Working effectively both as individuals and a team.
- Exercising effective control.
- Behaving with integrity.
- Being open and accountable.
- The Trustees meet regularly (either face-to-face or 'virtually', by telephone conference) and hold additional ad hoc phone conferences as required. A countrywide community of volunteers provided technological support as well as PR, marketing, and finance advice.

None of the Trustees or volunteers supporting PoACC, received remuneration for their work. The Charity has mechanisms in place to allow for claiming reimbursement for reasonable out-of-pocket expenses, though frequently our Trustees and supporters forgo such claims.

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



R G Whaite, Chairman

Trustee

Dated:

23<sup>rd</sup> November 2019

# PEARL OF AFRICA CHILD CARE LIMITED

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF PEARL OF AFRICA CHILD CARE LIMITED

I report to the trustees on my examination of the financial statements of Pearl Of Africa Child Care Limited (the charity) for the year ended 28 February 2019 which comprise the Statement of Financial Activities, the Balance Sheet and related notes.

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in this report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my work, for this report, or for the opinions I have formed.

#### Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (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.


An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the financial statements. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently I express no opinion as to whether the financial statements present a 'true and fair' view and my report is limited to those specific matters set out in the independent examiner's statement.

#### Independent examiner's statement

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 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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.

  
WJ Gould FCA  
Rickard Luckin Limited  
7 Nelson Street  
Southend-on-Sea  
Essex  
SS1 1EH  
Dated: 27/11/19

# PEARL OF AFRICA CHILD CARE LIMITED

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 28 FEBRUARY 2019

	Notes	Unrestricted funds general 2019 £	Unrestricted funds designated 2019 £	Restricted funds 2019 £	Total 2019 £	Total 2018 £
<b><u>Income from:</u></b>						
Donations and legacies	3	-	68,537	17,572	86,109	81,994
Other activities	4	-	156	-	156	104,333
<b>Total income</b>		-	68,693	17,572	86,265	186,327
<b><u>Expenditure on:</u></b>						
Raising funds	6	-	687	-	687	42,760
Charitable activities	5	-	100,929	15,331	116,260	144,815
<b>Total resources expended</b>		-	101,616	15,331	116,947	187,575
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		-	(32,923)	2,241	(30,682)	(1,248)
Fund balances at 1 March 2018		38	86,153	8,702	94,893	96,141
<b>Fund balances at 28 February 2019</b>		38	53,230	10,943	64,211	94,893

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

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# PEARL OF AFRICA CHILD CARE LIMITED

## BALANCE SHEET

AS AT 28 FEBRUARY 2019

	Notes	2019 £	£	2018 £	£
<b>Current assets</b>					
Debtors	11	13,429		17,157	
Cash at bank and in hand		50,782		77,736	
		<u>64,211</u>		<u>94,893</u>	
Net current assets			<u>64,211</u>		<u>94,893</u>
<b>Income funds</b>					
Restricted funds	12		10,943		8,702
<u>Unrestricted funds</u>					
Designated funds	13	53,230		86,153	
General unrestricted funds		38		38	
		<u>53,268</u>		<u>86,191</u>	
			<u>64,211</u>		<u>94,893</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 28 February 2019.

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 23<sup>rd</sup> November 2019



R G Whaite, Chairman  
Trustee

Company Registration No. 05717237

# PEARL OF AFRICA CHILD CARE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2019

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### 1 Accounting policies

#### Charity information

Pearl Of Africa Child Care Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 40 St Dunstons Road, London, W7 2HB.

The charity is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have been prepared under the historical cost convention. 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.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

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 Incoming resources

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 or deeds of covenant is recognised at the time of the donation.

#### 1.5 Resources expended

Liabilities and all expenses are included in the Statement of Financial Activities on an accruals basis.

Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.

# PEARL OF AFRICA CHILD CARE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2019

### 1 Accounting policies

(Continued)

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

#### 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 has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### *Basic financial assets*

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### *Basic financial liabilities*

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

##### *Derecognition of financial liabilities*

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

### 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.



# PEARL OF AFRICA CHILD CARE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2019

### 3 Donations and legacies

	Unrestricted funds designated	Restricted funds	Total	Total
	2019 £	2019 £	2019 £	2018 £
Donations and gifts	55,075	13,062	68,137	60,856
Gift Aid Tax Reclaimed	13,462	-	13,462	17,158
Appeals and Donations	-	4,510	4,510	3,980
	<u>68,537</u>	<u>17,572</u>	<u>86,109</u>	<u>81,994</u>
For the year ended 28 February 2018	<u>67,475</u>	<u>14,519</u>		<u>81,994</u>

### 4 Other activities

	2019	2018
	£	£
Choir tours		
Collections	-	74,339
Sale of crafts	36	29,728
Other income	120	266
Other activities	<u>156</u>	<u>104,333</u>

# PEARL OF AFRICA CHILD CARE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2019

### 5 Charitable activities

	Bank charges 2019 £	Uganda 2019 £	Total 2019 £	Total 2018 £
Kamuzinda	-	2,760	2,760	4,900
Wheeling Feeding	-	-	-	375
MPCCF	-	112,643	112,643	131,806
Kibuye	-	490	490	7,268
	-	115,893	115,893	144,349
Share of support costs (see note 7)	367	-	367	466
	367	115,893	116,260	144,815
<b>Analysis by fund</b>				
Unrestricted funds - designated	367	100,562	100,929	127,108
Restricted funds	-	15,331	15,331	17,707
	367	115,893	116,260	144,815
<b>For the year ended 28 February 2018</b>				
Unrestricted funds - designated	466	126,642		127,108
Restricted funds	-	17,707		17,707
	466	144,349		144,815

### 6 Raising funds

	2019 £	2018 £
<u>Raising Funds</u>		
Transport and sundry tour costs	35	30,859
Safeguarding costs	120	4,022
Insurance	532	432
Craft materials	-	7,447
	687	42,760

# PEARL OF AFRICA CHILD CARE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2019

### 7 Support costs

	Support costs £	Governance costs £	2019 £	2018 £	Basis of allocation
Bank charges	367	-	367	466	100%
	<u>367</u>	<u>-</u>	<u>367</u>	<u>466</u>	
Analysed between Charitable activities	<u>367</u>	<u>-</u>	<u>367</u>	<u>466</u>	

### 8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.  
No trustees' expenses occurred during the year.

### 9 Employees

There were no employees during the year.

### 10 Financial instruments

	2019 £	2018 £
<b>Carrying amount of financial assets</b>		
Debt instruments measured at amortised cost	13,429	17,157

### 11 Debtors

	2019 £	2018 £
<b>Amounts falling due within one year:</b>		
Other debtors	13,429	17,157

# PEARL OF AFRICA CHILD CARE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2019

### 12 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:

	Balance at 1 March 2018	Movement in funds		Balance at 28 February 2019
		Incoming resources	Resources expended	
	£	£	£	£
Kamuzinda Clinic	1,932	7,116	(5,325)	3,723
Kamuzinda Feeding	1,043	4,510	(4,060)	1,493
Afripads	3,750	-	-	3,750
Kibuye feeding	1,977	-	-	1,977
Kamuzinda Ormskirk	-	5,946	(5,946)	-
	<u>8,702</u>	<u>17,572</u>	<u>(15,331)</u>	<u>10,943</u>

### 13 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 March 2018	Movement in funds		Balance at 28 February 2019
		Incoming resources	Resources expended	
	£	£	£	£
Kamuzinda Fund	86,153	68,693	(101,616)	53,230
	<u>86,153</u>	<u>68,693</u>	<u>(101,616)</u>	<u>53,230</u>

The Kamuzinda Fund has been designated for the support of the Molly and Paul Childcare Foundation. Support is provided in the Kamuzinda area in Central Uganda.

# PEARL OF AFRICA CHILD CARE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2019

### 14 Analysis of net assets between funds

	Unrestricted funds 2019 £	Designated funds 2019 £	Restricted funds 2019 £	Total 2019 £	Total 2018 £
Fund balances at 28 February 2019 are represented by:					
Current assets/(liabilities)	38	53,230	10,943	64,211	94,893
	<u>38</u>	<u>53,230</u>	<u>10,943</u>	<u>64,211</u>	<u>94,893</u>

### 15 Related party transactions

No guarantees have been given or received.

The total donations received from trustees during the year was £nil (2018 - £190).