

Company registration number: 05717237
Charity registration number: 1122809

The Pearl of Africa Children's Choir Limited

(A company limited by guarantee)
Annual Report and Financial Statements
for the Year Ended 28 February 2010

Rickard Keen LLP
Chartered Accountants
7-11 Nelson Street
Southend-on-Sea
Essex
SS1 1EH

The Pearl of Africa Children's Choir Limited
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The Pearl of Africa Children's Choir Limited
Reference and Administrative Details

Charity name	The Pearl of Africa Children's Choir Limited
Charity registration number	1122809
Company registration number	05717237
Principal office	The Pearl of Africa Children's Choir Limited 20 Rosebarn Close Burgess Hill West Sussex RH15 0HN
Registered office	20 Western Road Launceston Cornwall PL15 7BA
Trustees	L W Baker S A Rowland C G Paxman R Scott (Resigned 5 November 2009) R G Whaite D Phillips
Secretaries	Burnett Rae & Co Limited (Resigned 9 February 2010) L W Baker (Appointed 9 February 2010)
Bankers	Barclays Bank plc Burgess Hill Lewes Area Branches 1 Lewes East Sussex NatWest Launceston Branch 14 Westgate Street Launceston Cornwall
Accountant	Rickard Keen LLP Chartered Accountants 7-11 Nelson Street Southend-on-Sea Essex SS1 1EH

The Pearl of Africa Children's Choir Limited

Trustees' Report

The Pearl of Africa Children's Choir Limited Trustees' Annual Report 2009-10

The Council of Management has pleasure in presenting their report and the accounts of the Charity for the year ended 28th February 2010. The Charity was registered with the Charity Commissioners on 15 February 2008 (registration number 1122809).

Activities, achievements and performance

The Charity's main work during the year was to support and raise funds for the Molly & Paul Childcare Foundation (M&PCCF) of Uganda. This is a Non-Governmental Organisation (corresponding to a UK charity), with origins 27 years ago, which today runs a group of schools, orphanages, a farm college, and a clinic in Southern Uganda, providing education, food, accommodation and basic healthcare for over 2,200 children, many of whom are orphans or otherwise destitute. In addition to financial support, professional support and advice were provided to M&PCCF, especially in the fields of teaching, agriculture, and management and accounting.

The fundraising ability of this Charity was severely restricted during the year as we had to cancel plans for the Pearl of Africa Children's Choir tour in Autumn 2009 because of changes in UK regulations for Child Protection and Safeguarding: clear guidance from government regulatory bodies was not forthcoming, and practical problems seemed insurmountable. The tour would have provided us with our major source of finance to help our Ugandan beneficiaries. Planning for the 2010 tour started in September 2009 and throughout the following 12 months the tour committee engaged in meticulous planning, seeking advice from regulatory bodies to ensure strict compliance with UK child protection legislation. This was accompanied by careful logistical planning and vetting of venues to ensure that the tour's aims of revenue creation and expansion of the supporter base in a secure safeguarded environment would be achieved.

The 2010 tour started mid September and concluded in mid November and has proved to be a huge success with schools and adult audiences alike. Their enthusiasm has been truly ignited by the charming personalities of choir members and exhilarating performances creating standing ovations and kindling strong interaction with UK schoolchildren. This is reflected in the income generated which has already alleviated urgent needs including salary arrears for M&PCCF teachers and staff in Uganda.

The Charity is fundamentally indebted to the support of volunteers and donors in the UK whose enthusiasm and dedication are rapidly becoming legendary. Through their generosity we have been able to maintain a high level of financial support – currently some 50% of M&PCCF's needs (circa £172,000). That support is fundamental to the education, housing, feeding and wellbeing of over 2,200 children, teachers and staff. Without it the work of M&PCCF would fail and numbers of children would be left to fend for themselves on the streets of that impoverished country.

Management, financial, other assistance and food resources have been provided to help M&PCCF move closer toward self-sufficiency. This has been, and remains, one of our top priorities. Crops of maize and sweet potatoes have been expanded, pigs reared and milk production increased. Progress has also been made to rear initially 2,000 hens to provide much needed protein for the children, water supplies improved by the provision of large water tanks to collect rain water and children's homes (orphanages) repaired.

A Memorandum of Understanding between M&PCCF and the Charity has been developed to define expectations and methods of working and it provides for regular reviews of the relationship. One of our Trustees visited Uganda in February 2010 to liaise more closely with the Directors of M&PCCF, their accountants and auditors and to report back to the UK Council. All units of the work in Uganda were visited. In the UK their accounts have been monitored monthly to ensure the principles of transparency, accountability and participation are understood and implemented. The accountancy and management skills of M&PCCF staff have been developed to the extent that M&PCCF has saved large sums through accounting work now being done in-house, instead of by outside professionals. We have made a grant to M&PCCF to pay for the audit of their annual accounts by an internationally recognized company specializing in working with Non Governmental Organisations and we are particularly indebted to our retiring Hon Treasurer and his volunteer colleague for the preparatory work for this process.

Further information on the work of the Charity and of the M&PCCF can be found at their respective websites:

<http://www.pearlofafrica.org.uk><http://www.mollyandpaul.org/>

The Pearl of Africa Children's Choir Limited

Trustees' Report

The Charity recognises its limitations as a young and small body: the plan for this year was to develop and increase the professional and financial support the Charity can provide to M&PCCF against a background of the cancelled Choir tour. The capacities of the respective organisations in the UK and Uganda were built up; in Uganda this included training additional staff in management and accountancy practices.

We have endeavoured to establish working relationships with other NGOs and we are pleased to be able to report that M&PCCF received support from the International Tree Foundation to plant coffee bushes and a range of fruit trees in Kamuzinda for food and future cash generation, as well as species (eg *Ficus* and *Calliandra*) for firewood, fencing, hedging and fodder. This project has recently been filmed by that organization as a fine example of partnership in work.

The work of the M&PCCF Clinic in Kamuzinda Children's Village was supported and provides a useful facility there for the schools, homes and wider community.

In the UK, we have helped work up and analyse the business cases for a number of M&PCCF's projects. These were initiated in Uganda as special projects with rudimentary business plans. We have offered advice on improvements to these plans to provide a credible case to potential donors. The aim is to enhance income in Uganda; to reduce dependence on overseas aid and to further support the organisation's viability against a background of the financial, medical and social deprivation endemic in that country.

For the Ugandan economy as a whole, some 40% is dependent on grant aid from outside. For M&PCCF, nearer 50% (at 28th February 2010) was dependent on grant aid from this Charity. Grants and donations from other international sources raise this to approximately 55%. It remains M&PCCF's ambition ultimately to become self-sufficient, and it is an objective of this Charity to assist M&PCCF in these improvements.

The future

With the completion of the 2010 tour there will be a period of evaluation of outcomes before planning starts in earnest for possible 2011 tour(s). The Choir's tour is vitally important in several ways - not least in promoting awareness of M&PCCF's work and in generating donations from a growing number of loyal supporters in the UK - but the Choir tour alone is not the whole answer to funding. The Charity has continued investigating additional sources of funding with the aim of forming one or several key partnerships with other bodies in addition to that already mentioned with the International Tree Foundation.

Objectives, Structure, Governance, and Management

The chief objects of the Charity are to support schoolchildren in Uganda, especially those vulnerable children whose lives are affected by their status as orphans, poverty or the AIDS epidemic, and to advance their education. For the foreseeable future it is our intention to continue offering support to M&PCCF but we keep that relationship under constant informal review and also with an annual formal reassessment. We are heartened by the readiness of M&PCCF's staff to adopt practices recommended by us. They see our interventions as helpful and constructive: trust and co-operation are continually expanding in the wake of increased transparency, accountability and participation.

The Registered Charity is constituted as a company limited by guarantee (incorporated in England and Wales) and governed by a Memorandum and Articles of Association dated 21 February 2006.

The direction of the Charity's affairs and administration of its activities are undertaken by a Council of Management. It meets regularly.

The members of the Council are the Charity's Trustees and the Directors for the purposes of company law. Presently five in number (at 28 February 2010), the Trustees are appointed under the Articles of Association and are members of the Charity who guarantee to contribute £1 in the event of a winding-up. They have no beneficial interest in the Charity.

We have a reasonable spread of skills and disciplines amongst our existing Trustees but it is our intention to increase the number of them. In order to increase the skills available to us we have begun this process by seeking to substantially expand our UK membership early in 2011 and, by seeking from within that enlarged membership or outside, candidates for trusteeship with the required expertise to enhance our abilities.

The Pearl of Africa Children's Choir Limited

Trustees' Report

The Trustees who served during the year and since are:

L. W. Baker (appointed 24/6/2007)

S A Rowland (appointed 24/6/2007)

C G Paxman (appointed 25/02/2008)

D A Philips (appointed 19/6/2008)

R G Whaite, Chairman (appointed 19/6/2008)

R Scott (appointed 11/11/2008; resigned 05/11/2009)

The Trustees maintain their direct involvement in the work of this Charity, which has no paid employees and has relied entirely on supporters working on a voluntary basis, including the Trustees. In other words, those working at the charity have substantially borne their own expenses enabling the charity to operate with very low overheads.

The present Trustees are fully informed of the Charity's aims and objectives and aware of their responsibilities. The scope of responsibilities is reviewed and discussed regularly at Trustees' meetings.

Financial review, Risks, and Reserves

As at 28th February 2010 the Charity held restricted funds of £39,476 and had unrestricted funds of £(83). These restricted funds were awaiting transfer to Uganda, to the M&PCCF and the respective schools - see further below.

Restricted funds are, typically, moneys donated for a specific purpose within the context of the M&PCCF: for example, a gift to cover the salary of a teacher at a specified school; or a bursary covering the cost of educating a pupil at one of the schools.

The Council of Management's policy is that all funds should, as far as possible, be used to support the Molly & Paul Childcare Foundation's activities in Uganda. Whilst most funds raised in the UK are transferred direct to Uganda, the Charity also (in the first instance) meets certain expenses in the UK associated with the visits of the Pearl of Africa Children's Choir (such as transport costs). These Choir tours raise funds: the direct expenses of the tours are deducted before the balance is transferred to Uganda for the work there.

The Trustees have reviewed the risks to which the Charity is exposed and have implemented a risk management strategy that comprises:-

1. A regular review of the risks the Charity may face;
2. The establishment of systems and procedures to mitigate those risks identified; and
3. The implementation of procedures to minimise any potential impact on the Charity should any of those risks materialise.

The Trustees were pleased to receive the advice of the Charity Commission following their enquiry into an alleged serious incident we reported to them in July 2009. (The case was closed in May 2010). The Trustees collaborated with the enquiry and the Commission's advice assisted us in our review of particular aspects of our operations and in the allied process of risk assessment. We were able to make a number of improvements in working practices as a result.

The Pearl of Africa Children's Choir Limited
Trustees' Report

Statement of the Charity's reserves policy.

Because the Charity does not generally incur liabilities and endeavours to donate all of its income to its beneficiaries in Uganda, the level of unrestricted reserves is kept to a minimum. The restricted reserve is income that has yet to be distributed to the beneficiaries in Uganda for whom it has been donated.

Small company provisions

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Approved by the Board on 23 November 2010 and signed on its behalf by:

.....

C G Paxman
Trustee

Independent Examiner's Report to the Trustees of The Pearl of Africa Children's Choir Limited

I report on the accounts of the company for the year ended 28 February 2010, which are set out on pages 7 to 12.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 43(2) of the Charities Act 1993 (the 1993 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 43 of the 1993 Act;
- follow the procedures laid down in the General Directions given by the Charity Commission under section 43(7)(b) of the 1993 Act; and
- state 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 Commission. 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 no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

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 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave 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.

.....
W J GOULD
Rickard Keen LLP

25 November 2010

Chartered Accountants
7-11 Nelson Street
Southend-on-Sea
Essex
SS1 1EH

The Pearl of Africa Children's Choir Limited
Statement of financial activities (including income and expenditure account)
for the Year Ended 28 February 2010

	Unrestricted Funds	Restricted Funds	Total Funds Year ended 28 February 2010	Total Funds 2 9 February 2008 to 28 February 2009
Note	£	£	£	£
Incoming resources				
Incoming resources from generated funds				
Voluntary income	2	-	97,462	97,462
Total incoming resources		-	97,462	215,613
Resources expended				
Costs of generating funds				
Costs of generating voluntary income	3	-	172,046	172,046
Governance costs	3	128	-	128
Total resources expended		128	172,046	172,174
Net movements in funds		(128)	(74,584)	(74,712)
Reconciliation of funds				
Total funds brought forward		45	114,060	114,105
Total funds carried forward		(83)	39,476	39,393
		114,060	114,105	24,325
		39,476	39,393	114,105

The notes on pages 9 to 12 form an integral part of these financial statements.

The Pearl of Africa Children's Choir Limited
Balance Sheet as at 28 February 2010

	Note	28 February 2010		28 February 2009	
		£	£	£	£
Current assets					
Debtors	6	11,213		14,043	
Cash at bank and in hand		<u>29,226</u>		<u>100,062</u>	
			40,439		114,105
Creditors: Amounts falling due within one year					
	7		<u>(1,046)</u>		<u>-</u>
Net current assets			<u>39,393</u>		<u>114,105</u>
Net assets			<u><u>39,393</u></u>		<u><u>114,105</u></u>
The funds of the charity:					
Restricted funds			39,476		114,060
Unrestricted funds					
Unrestricted income funds			<u>(83)</u>		<u>45</u>
Total charity funds			<u><u>39,393</u></u>		<u><u>114,105</u></u>

For the financial year ended 28 February 2010, the charity was entitled to exemption from audit under section 477(1) of the Companies Act 2006; and no notice has been deposited under section 476(1) requesting an audit. The directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and preparing accounts which give a true and fair view of the state of affairs of the charity as at the end of the year and of its income and expenditure for the financial year in accordance with the requirements of section 394 and which otherwise comply with the Companies Act 2006, so far as applicable to the charity.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime under the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Approved by the Board on 23 November 2010 and signed on its behalf by:

.....

C G Paxman
Trustee

The notes on pages 9 to 12 form an integral part of these financial statements.

The Pearl of Africa Children's Choir Limited
Notes to the Financial Statements for the Year Ended 28 February 2010

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities (SORP 2005)', issued in March 2005, the Financial Reporting Standard for Smaller Entities (effective April 2008) and the Companies Act 2006.

Fund accounting policy

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Further details of each fund are disclosed in note 10.

Incoming resources

Donations are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Incoming resources from tax reclaims are included in the statement of financial activities at the same time as the gift to which they relate.

Resources expended

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Costs of generating funds are the costs associated with attracting voluntary income.

Governance costs

Governance costs include costs of the preparation and examination of the statutory accounts, the costs of trustee meetings and the cost of any legal advice to trustees on governance or constitutional matters.

The Pearl of Africa Children's Choir Limited
Notes to the Financial Statements for the Year Ended 28 February 2010

..... continued

2 Voluntary income

	Unrestricted Funds £	Restricted Funds £	Total Funds Year ended 28 February 2010 £	Total Funds 29 February 2008 to 28 February 2009 £
Donations and legacies				
Donations and gifts	-	84,502	84,502	201,570
Gift Aid tax reclaimed	-	12,960	12,960	14,043
	<u>-</u>	<u>97,462</u>	<u>97,462</u>	<u>215,613</u>

3 Total resources expended

	Donations and legacies £	Governance £	Total £
Direct costs			
Charitable expenditure	172,046	-	172,046
Governance	-	105	105
Bank charges	-	23	23
	<u>172,046</u>	<u>128</u>	<u>172,174</u>

4 Trustees' remuneration and expenses

No Trustees received any remuneration and the Trustees paid for their own expenses during the year.

5 Taxation

The company is a registered charity and is, therefore, exempt from taxation.

The Pearl of Africa Children's Choir Limited
Notes to the Financial Statements for the Year Ended 28 February 2010

..... continued

6 Debtors

	28 February 2010 £	28 February 2009 £
Gift aid	<u>11,213</u>	<u>14,043</u>

7 Creditors: Amounts falling due within one year

	28 February 2010 £	28 February 2009 £
Other creditors	<u>1,046</u>	<u>-</u>

8 Members' liability

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 winding up.

The Pearl of Africa Children's Choir Limited
Notes to the Financial Statements for the Year Ended 28 February 2010

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9 Related parties

Related party transactions

During the year Trustees, who are also Directors of the Charity made the following donations to the Charity:

L W Baker £180.00
S A Rowland £195.00
C G Paxman £589.10

10 Analysis of funds

	At 1 March 2009	Incoming resources	Resources expended	At 28 February 2010
	£	£	£	£
General Funds				
Unrestricted income fund	45	-	(128)	(83)
Restricted Funds				
Molly & Paul Childcare Foundation	114,060	97,462	(172,046)	39,476
	<u>114,105</u>	<u>97,462</u>	<u>(172,174)</u>	<u>39,393</u>

11 Net assets by fund

	Restricted Funds	Total Funds 28 February 2010	Total Funds 28 February 2009
	£	£	£
Current assets	40,439	40,439	114,105
Creditors: Amounts falling due within one year	(1,046)	(1,046)	-
Net assets	<u>39,393</u>	<u>39,393</u>	<u>114,105</u>

The Pearl of Africa Children's Choir Limited
Detailed Profit and Loss Account for the Year Ended 28 February 2010

	Unrestricted income fund 2010	Unrestricted income fund 2009
	£	£
Incoming resources		
Incoming resources from generated funds		
Voluntary income	-	250
Total incoming resources	-	250
Resources expended		
Governance costs	128	175
Total resources expended	128	175
Net expenditure	128	(75)
Reconciliation of funds		
Total funds brought forward	45	(30)
Total funds carried forward	(83)	45

This page does not form part of the statutory financial statements.

The Pearl of Africa Children's Choir Limited
Detailed Profit and Loss Account for the Year Ended 28 February 2010

..... continued

	Molly & Paul Childcare Foundation 2010	Molly & Paul Childcare Foundation 2009
	£	£
Incoming resources		
Incoming resources from generated funds		
Voluntary income	97,462	213,203
Total incoming resources	<u>97,462</u>	<u>213,203</u>
Resources expended		
Costs of generating funds		
Costs of generating voluntary income	172,046	125,658
Total resources expended	<u>172,046</u>	<u>125,658</u>
Net expenditure	<u>74,584</u>	<u>(87,545)</u>
Reconciliation of funds		
Total funds brought forward	114,060	23,135
Total funds carried forward	<u>39,476</u>	<u>110,680</u>

This page does not form part of the statutory financial statements.

The Pearl of Africa Children's Choir Limited
Detailed Profit and Loss Account for the Year Ended 28 February 2010

..... continued

	Individual beneficiaries 2010	Individual beneficiaries 2009
	£	£
Incoming resources		
Incoming resources from generated funds		
Voluntary income	-	2,160
Total incoming resources	-	2,160
Reconciliation of funds		
Total funds brought forward	-	1,220
Total funds carried forward	-	3,380

This page does not form part of the statutory financial statements.