Company registration number: 05717237
Charity registration number: 1122809

Pearl of Africa Child Care Ltd (Formerly The Pearl of Africa Children's Choir Limited)

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 28 February 2011

Pearl of Africa Child Care Ltd (Formerly The Pearl of Africa Children's Choir Limited)

Contents

Reference and Administrative Details ..... 1 to 2

Trustees' Report ..... 3 to 7

Independent examiner's report ..... 8 to 9

Statement of financial activities 10

Balance Sheet ..... 11 to 12

Notes to the financial statements ..... 13 to 17

Pearl of Africa Child Care Ltd (Formerly The Pearl of Africa Children's Choir Limited)

Reference and Administrative Details

Charity name	Pearl of Africa Child Care Ltd (Formerly The Pearl of Africa Children's Choir Limited)
Charity registration number	1122809
Company registration number	05717237
Principal office	Pearl of Africa Children's Choir Limited 12 Roydon Road Launceston Cornwall PL15 8JT
Registered office	20 Western Road Launceston Cornwall PL15 7BA
Trustees	L W Baker
	S A Rowland
	C G Paxman
	R G Whaite, Chairman
	D Phillips (Resigned 7 May 2011)
	C Blyth (Appointed 12 February 2011)
	M K Black (Appointed 12 February 2011)
Secretary	L W Baker
Bankers	Barclays Bank plc Burgess Hill Lewes Area Branches 1 Lewes East Sussex
	NatWest Launceston Branch 14 Westgate Street Launceston Cornwall

Pearl of Africa Child Care Ltd (Formerly The Pearl of Africa Children's Choir Limited)

Reference and Administrative Details

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

Pearl of Africa Child Care Ltd (Formerly The Pearl of Africa Children's Choir Limited)

Trustees' Report

Pearl of Africa Child Care Ltd. (formerly, Pearl of Africa Children's Choir Ltd.)

Registered as a charity by the Charity Commission (No. 1122809) and as a company in England and Wales (No 5717237)

The Council have pleasure in presenting their report and the accounts of the charity for the year ended 28th February 2011.

The charity was registered with the Charity Commission under its former name on 15th February 2008. The name was changed in November 2010 to Pearl of Africa Child Care Ltd ('PoACC') to better reflect its activities, and duly registered at Companies House and with the Charity Commission.

Activities, achievements and performance

The charity's main work during the year was to continue to support and raise funds for the Molly & Paul Childcare Foundation ('MPCCF') of Uganda. This is a non-governmental organisation (NGO) and charity, with origins 28 years ago, which today runs a group of schools, orphanages, a farm college, and two clinics in southern Uganda, providing education, food, accommodation and basic healthcare for over 2,200 children, many of whom are orphans or otherwise destitute. In particular, the charity (alongside other volunteer organisations and charities) has provided professional support and advice to MPCCF, especially in the fields of teaching, agriculture, and management and accounting. We currently provide this Ugandan NGO with over a third of its income and additionally, an even greater proportion of its logistical support in terms of accountancy and business advice. As part of our effort to strengthen MPCCF's management and accountancy, for the past two years we have also funded the audit of their accounts by reputable auditors with expertise in the field of NGOs.

Significant new funds were generated by the autumn 2010 tour of the UK by the Pearl of Africa Children's Choir, comprising pupils drawn from the MPCCF schools, plus accompanying teachers and choir-leader – a party of 20 members in total. The charity and its volunteers organised this tour, and its trustees and volunteers across the country acted as hosts for the children and teachers of the MPCCF. We co-ordinated visits of the choir to UK schools to carry out educational workshops in African music, dance, crafts and culture, and arranged concerts and performances to assist in our fundraising in support of MPCCF. A Performance Licence was successfully negotiated and coordinated nationwide with all Local Authorities.

The choir tour was a great success and generated vital funds to allow the MPCCF to continue its irreplaceable work in the slums of Kampala and deprived areas in Masaka District of southern Uganda. Immediately after the tour, PoACC was able to transmit funds to MPCCF to clear arrears of teachers' pay that had accumulated and had been trying the patience of the loyal staff.

The choir received standing ovations in all venues: schools, churches and public halls. Highlights of the tour were:- a short performance in York Minster, a performance in a school in the presence of the His Grace, Archbishop John Sentamu, and well supported events in a wide variety of schools and churches in Northumberland, Yorkshire, Leeds, Lancashire, Leicestershire, Worcestershire, Cornwall, Jubilee International School in Surrey, and finally, in Sussex.

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

http://www.pearlofafrica.org.uk/

Pearl of Africa Child Care Ltd (Formerly The Pearl of Africa Children's Choir Limited)

Trustees' Report

http://www.mollyandpaul.org/

The charity recognises its limitations as a young and modestly-sized body: the plan for this financial year (1st March 2010 to 28th February 2011) was to continue to develop the professional and financial support to MPCCF. In March 2010, a Memorandum of Understanding was implemented, further defining the relationship between PoACC and MPCCF.

The capacities of the respective organisations in the UK and Uganda were built up. In Uganda the training of staff in management and accounting practices was enhanced. The Kamuzinda Clinic staffing was re-structured and diagnosis and monitoring of malaria and HIV/AIDS were improved.

In the UK, we are hugely indebted to a committed army of voluntary workers whose energy and skills have enabled us to support the children and teachers in Uganda. A good number of these have become members of the Company, and we welcome their increased participation.

We also expanded the Council (the Board of Trustees): two new members of Council were recruited to increase the range of skills available and to help work up and analyse the business cases for a number of MPCCF's projects. We intend to recruit further in the coming year.

Uganda

The national Ugandan economy remains stubbornly dependent on donor aid to the extent of around 40% of its income. Inflation has been running in excess of 12% p.a. for the past two years, food prices have rocketed, and the Ugandan Shilling has weakened so that currently it stands at around UGX3500 : GBP1. In the past year some 47% of the MPCCF income has come from this UK charity (i.e. comparable to the rate for the nation as a whole).

The charity has been supporting MPCCF's moves towards self-sufficiency in food production, both to feed the children more adequately but also to provide income from the sale of produce in local markets. This has been a co-operative effort with other donors and volunteers. MPCCF has planted and cropped additional maize and sweet potato crops; planted coffee, pineapple and other crops; increased pig stocks to improve diets of children and generate cash; and greatly improved the levels of egg production - by buying in additional chicks. Strong progress is being made towards self-sustainability. For the past two years this has been an investment in their future that is beginning to reap rewards, but is being hindered by occasional but quite severe droughts. To reduce the effects of drought and to reduce water bills, MPCCF has been increasing rainwater collection during the rainy seasons, and a well has been dug and pumps repaired as necessary.

Donations of redundant laboratory equipment and computers by UK schools have enabled MPCCF's school laboratories to be better equipped so that students can be more effectively trained.

The future

Building on the success of the choir, and warm reception accorded to it, in previous tours of the UK, planning is well under way for the choir tour to start in September 2011. The choir tours are vitally important in several ways - not least in promoting awareness of MPCCF'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 is continually investigating additional sources of funding with the aim of forming several key partnerships. In one of these, MPCCF is growing fruit trees in collaboration with the International Tree Foundation, an international body focusing on the role of forests in sustaining livelihoods in areas of extreme poverty. The International Tree Foundation recently reported on the good progress of the project thus far by means of an article in their magazine together with a video viewable online. Another has been the supply of funds from a charitable trust for the salary payments for teachers and the feeding of children at one school (New Kabaale, Busega – near Kampala) belonging to MPCCF. Other potential partnerships are at the discussion stage.

In the coming year, the charity also intends to continue helping to strengthen MPCCF's management skills.

A review of the charity's objectives, policies and procedures is planned for 2011, and the Area Representative Handbook is being further developed in conjunction with the Volunteers' Policy, to support all involved with the UK choir tours.

Objectives & Public Benefit, Structure, Governance, and Management

The chief objectives of the charity are to advance education and to relieve poverty, and to achieve public benefit through the distribution of money in the form of grants and social investments for specific charitable purposes. These grants aim to deliver real and lasting change to poor and vulnerable people in Uganda.

In making its decisions about grants, and in the administration of the charity generally, the trustees have paid due regard to the official guidance published by the Charity Commission about public benefit. The charity continues to seek to spend its money as effectively and professionally as possible.

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. It meets regularly (at least four times a year). The members of the Council are the charity's trustees and the directors for the purposes of company law. Presently 7 in number (as at 28 February 2011), 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. No income is derived from their work for the charity and their expenses are rarely recovered.

The trustees who served during the year and since are:

Leslie W. Baker, Company Secretary (appointed 24/6/2007)

Kim Black (appointed 10/2/2011)

Colin Blyth (appointed 10/2/2011)

Sally Rowland (appointed 24/6/2007)

Christopher G Paxman (appointed 30/6/2008)

David A Philips (appointed 30/6/2008, resigned 7/5/2011)

Robin G Whaite, Chairman (appointed 30/6/2008)

Pearl of Africa Child Care Ltd (Formerly The Pearl of Africa Children's Choir Limited)

Trustees' Report

The trustees maintain their direct involvement in the work of the charity, which has no paid employees and has relied entirely on supporters working on a voluntary basis, including the trustees.

Virtually all the charity's nett income (more than 98%) is subsequently transferred to Uganda and MPCCF's usage of the money received from us is monitored closely by the charity on a monthly basis by means of spreadsheets transmitted electronically for each of the M&PCCF units.

The present trustees are fully informed of the charity's aims and objectives in accordance with their role. The scope of these is reviewed and discussed regularly at trustees' meetings as well as by means of telephone conferencing. There is a basic induction process for incoming trustees and periodic training thereafter. We have become members of the Small Charities Coalition during the year.

Safeguarding

We recognise the need to provide a safe and caring environment for children, young people and vulnerable adults. We acknowledge that children, young people and vulnerable adults can be the victims of physical, sexual and emotional abuse, and neglect. We accept the UN Universal Declaration of Human Rights and the International Covenant of Human Rights, along with the Convention on the Rights of the Child.

PoACC have therefore appointed a designated safeguarding officer and deputy, and adopted the procedures set out in the PoACC safeguarding policy in accordance with statutory guidance. This policy is subject to regular review.

We are committed to ensuring the safety of all children, young people and vulnerable adults who have contact with PoACC. In relation to the choir tours to the UK, all relevant host families have been subject to CRB checks and in line with best practice these are subject to a three-year renewal schedule.

Financial review, Risks, and Reserves

As at 28th February 2011, the charity held total funds of £ 85,653 and, of that total, £80,873 is unrestricted. Restricted, or designated, funds amounted to £4,780. It is the trustees' intention to make 2-monthly payments during the current year so that the total balance should reduce to £10,000 before the income from the tour resumes in October 2011. Regular standing orders from donors contribute nearly £4,000 pcm to our income excluding Gift Aid reclaims.

Remittances to Uganda amounted to £154,965 out of a total gross income of £209,971. Choir tour expenses amounted to £21,876.

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.

Reserves Policy

Because the charity does not generally incur liabilities and endeavours to donate at least 98% of its nett income to its beneficiaries in Uganda, the level of reserves is kept to a prudent minimum which is deemed necessary to allow for contingencies.

Small company provisions

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

In conclusion, I should like on behalf of the trustees to express our gratitude to all our many donors, volunteers and other supporters for their tremendous generosity, energy, and commitment that make the work of the charity possible.

On behalf of the Council,

.....R G Whaite..... (*signed*) Dated: ..24th.. June, 2011

Robin Whaite, Chairman of the Council, Pearl of Africa Child Care Limited

Independent Examiner's Report to the Trustees of

Pearl of Africa Child Care Ltd (Formerly The Pearl of Africa Children's Choir Limited)

I report on the accounts of the company for the year ended 28 February 2011, which are set out on pages 10 to 17.

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 Charities

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.

Independent Examiner's Report to the Trustees of

Pearl of Africa Child Care Ltd (Formerly The Pearl of Africa Children's Choir Limited)

..... *continued*

.....
W J GOULD
Rickard Keen LLP

Date:.....6/7/2011

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

Pearl of Africa Child Care Ltd (Formerly The Pearl of Africa Children's Choir Limited)

Statement of Financial Activities (including Income and Expenditure Account) for the Year Ended 28 February 2011

	Note	Unrestricted Funds	Restricted Funds	Total Funds 2011	Total Funds 2010
		£	£	£	£
Incoming resources					
Incoming resources from generated funds					
Voluntary income	2	197,576	25,534	223,110	97,462
Total incoming resources		197,576	25,534	223,110	97,462
Resources expended					
Costs of generating funds					
Costs of generating voluntary income	3	165,932	10,911	176,843	172,046
Governance costs	3	-	-	-	128
Total resources expended		165,932	10,911	176,843	172,174
Net income/(expenditure) before transfers		31,644	14,623	46,267	(74,712)
Transfers					
Gross transfers between funds		5,088	(5,088)	-	-
Net movements in funds		36,732	9,535	46,267	(74,712)
Reconciliation of funds					
Total funds brought forward		32,837	6,556	39,393	114,105
Total funds carried forward		69,569	16,091	85,660	39,393

The notes on pages 13 to 17 form an integral part of these financial statements.

Pearl of Africa Child Care Ltd (Formerly The Pearl of Africa Children's Choir Limited) (Registration number: 05717237)

Balance Sheet as at 28 February 2011

	Note	2011 £	2011 £	2010 £	2010 £
Current assets					
Debtors	6	23,307		11,213	
Cash at bank and in hand		62,353		29,226	
			85,660		40,439
Creditors: Amounts falling due within one year	7		-		(1,046)
Net current assets			85,660		39,393
Net assets			85,660		39,393
The funds of the charity:					
Restricted funds in surplus			16,091		6,639
Restricted funds in deficit					
Primary ed for all - water - wheeling			-		-
Wheeling feeding			-		-
Special projects			-		-
Total restricted funds			16,091		6,639
Unrestricted funds					
Unrestricted income funds			69,569		32,754
Total charity funds			85,660		39,393

The notes on pages 13 to 17 form an integral part of these financial statements.

Pearl of Africa Child Care Ltd (Formerly The Pearl of Africa Children's Choir Limited) (Registration number: 05717237)

Balance Sheet as at 28 February 2011

..... *continued*

For the financial year ended 28 February 2011, the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Approved by the Board on 7th May 2011 and signed on its behalf by:

R G Whaite
.....

R G Whaite
Trustee

The notes on pages 13 to 17 form an integral part of these financial statements.

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.

..... *continued*

2 Voluntary income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Donations and legacies				
Donations and gifts	172,824	25,534	198,358	84,502
Gift Aid tax reclaimed	24,752	-	24,752	12,960
	197,576	25,534	223,110	97,462

3 Total resources expended

	Donations and legacies £	Total £
Direct costs		
Charitable expenditure	171,913	171,913
Governance	4,720	4,720
Bank charges	210	210
	176,843	176,843

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.

..... *continued*

6 Debtors

	2011 £	2010 £
Other debtors	23,307	11,213

7 Creditors: Amounts falling due within one year

	2011 £	2010 £
Other creditors	-	1,046

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.

..... *continued*

9 Related parties

Controlling entity

The charity is controlled by the trustees who are all directors of the company.

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
S A Rowland £195
C G Paxman £1,560
C Blyth £280

10 Analysis of funds

	At 1 March 2010	Incoming resources	Resources expended	Transfers	At 28 February 2011
	£	£	£	£	£
General Funds					
Unrestricted income fund	32,837	197,576	(165,932)	5,088	69,569
Restricted Funds					
Choir Tour Fund	4,649	6,620	(276)	(584)	10,409
Maize Mill Fund	2,358	70	-	-	2,428
Primary Ed for All - Water - Wheeling	(250)	5,500	-	(5,250)	-
Wheeling Feeding	(201)	40	(275)	436	-
Busega Teachers' Salaries (PARC)	-	2,050	(2,100)	2,050	2,000
Choir Tour Gift Aid	-	53	-	-	53
Kamuzinda Clinic	-	756	-	-	756
Kamuzinda Feeding	-	9,330	(1,820)	(7,065)	445
Special Projects	-	1,115	(6,440)	5,325	-
	6,556	25,534	(10,911)	(5,088)	16,091
	39,393	223,110	(176,843)	-	85,660

..... *continued*

11 Net assets by fund

	Unrestricted Funds	Restricted Funds	Total Funds 2011	Total Funds 2010
	£	£	£	£
Current assets	69,668	15,992	85,660	40,439
Creditors: Amounts falling due within one year	-	-	-	(1,046)
Net assets	69,668	15,992	85,660	39,393