

**PROMOTING EQUALITY IN AFRICAN SCHOOLS (PEAS)**  
**(a Company Limited by Guarantee)**

**REPORT AND AUDITED ACCOUNTS**

**YEAR ENDED 31 JANUARY 2016**

**Company number: 06552715**

**Charity number: 1126550**

**PROMOTING EQUALITY IN AFRICAN SCHOOLS (PEAS) (a Company Limited by Guarantee)**

**I N D E X**

**Year ended 31 January 2016**

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**PROMOTING EQUALITY IN AFRICAN SCHOOLS (PEAS) (a Company Limited by Guarantee)**

**G E N E R A L I N F O R M A T I O N**

**Year ended 31 January 2016**

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<b>Registered address</b>	7-14 Great Dover Street London SE1 4YR	
<b>Auditors</b>	Dixon Wilson 22 Chancery Lane London WC2A 1LS	
<b>Bankers</b>	Barclays Bank 2 Victoria Street London SW1H 0ND	
<b>Lawyers</b>	Hogan Lovells 50 Holborn Viaduct London EC1A 2FG	
<b>Management consultants</b>	Oliver Wyman 55 Baker Street London W1U 8EW	
<b>Accountants</b>	Accounting Solutions for Charities 22 Bramshill Gardens London NW5 1JH	
<b>Trustees and directors</b>	Catherine Brien Celia Petty Rhys Pullen Sharon Ring Matthew Goldie-Scott Lucy Heller Frederic Nze David Townsend	(appointed 1 February 2015) (resigned 7 March 2015)  (appointed 24 September 2015) (appointed 24 September 2015) (resigned 24 September 2015) (resigned 9 March 2016) (resigned 7 March 2015)
<b>Company secretary</b>	John Rendel	(appointed 11 May 2016)
<b>Company number</b>	6552715	
<b>Charity number</b>	1126550	

Year ended 31 January 2016

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The trustees, who are directors for the purposes of company law, present their strategic report for the year ended 31 January 2016, in compliance with S414C of the Companies Act 2006.

#### Fair review of the business

2015/16 was an exceptional year for PEAS in which external evaluations of our work have provided strong evidence of our impact.

PEAS students are poorer even than those in government schools and yet they make faster learning gains.

In Zambia, the big news of 2015 was the signing of a ground-breaking public private partnership between PEAS and the Zambia Ministry of Education. This charter-school type partnership underpins a financial model in which every £40 or \$50 donated to PEAS now unlocks an entire year's quality secondary education. There can be few higher impact charitable donations around. PEAS' growth through 2016 is being driven by our increasing ability to communicate just how much impact every donation to PEAS is generating.

In 2015-16 four new schools were built bringing the total number of PEAS schools in Uganda to 28 educating over 13,000 students.

Five key statistics that indicate PEAS' progress in 2015-16 are:

- PEAS students account for 1% of all secondary school students in Uganda.
- 60% of PEAS students are from families in the lowest two wealth quintiles in Uganda.
- PEAS schools benefitting from our full package of support and supervision are in the top 10% of secondary schools in Uganda.
- An increase in hourly wage of 158% on average for someone with a secondary education.
- 95% of Ugandan school network costs are funded by local secondary school revenues.

#### Principal risks and uncertainties

The trustees have a risk management strategy which comprises:


- a quarterly review of the principal risks and uncertainties that the charity faces;
- the establishment of policies, systems and procedures to mitigate those risks identified in the reviews; and
- the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

This work has identified that financial sustainability, as evidenced in the unrestricted funds balance, is the major financial risk for both the charity and its subsidiaries. A key element in the management of financial risk is a regular review of available liquid funds to settle debts as they fall due, regular liaison with the bank, and active management of trade debtors and creditors balances to ensure sufficient working capital by the charity and its subsidiaries.

#### Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash balances, and the availability of funding from an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying businesses, the finance department maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the charity's liquidity reserve on the basis of expected cash flow.

The strategic report was approved by the trustees of the Charity on 27 Oct 2016 and signed on its behalf by:

  
CATHERINE BRIAN

Year ended 31 January 2016

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### Structure, governance and management

PEAS is a registered UK charity (no. 1126550) and a company limited by guarantee. (no. 6552715). The charitable company is governed by Memorandum and Articles of Association. Application of income of the charitable company is limited to the promotion of its objects. Decisions are made by simple majority of votes cast at a meeting of trustees.

In the period covered by this report, the Board of Trustees comprised of:

Catherine Brien	Chair and member of the Finance, Audit & Risk Committee (appointed 1 February 2015)
Celia Petty	Trustee (resigned 7 March 2015)
Rhys Pullen	Trustee
Sharon Ring	Trustee (appointed 24 September 2015)
Mathew Goldie-Scott	Trustee (appointed 24 September 2015)
Lucy Heller	Trustee (resigned 24 September 2015)
Frederic Nze	Trustee (resigned 9 March 2016)
David Townsend	Trustee (resigned 7 March 2015)

### Recruitment, induction and training of trustees

PEAS board members can serve for up-to two three-year terms. New trustees are recruited through the networks of existing trustees and are selected on basis of experience, personal/professional networks and their ability to support organisational governance.

Prior to joining the board, trustees are interviewed by the Chair and CEO before joining a trial first board meeting. Induction and training of trustees is carried out through a series of meetings with the CEO and other senior management staff.

### Key management personnel remuneration

The Trustees consider the following as the key management personnel of the Charity in charge of directing and controlling the charity and running and operating the charity on a day to day basis and in conjunction with the Country Directors for running and operating the subsidiaries of the Charity.

#### PEAS UK:

The Board of Trustees

John Rendel	Chief Executive Officer
Richard Aung	Director of Country Operations
Laura Brown	Chief Technical Officer
Helen Brownstone	Fund Raising Manager
Mike Saxton	Director of Finance & Resources (resigned 11 May 2016)

#### PEAS Uganda:

Francis Shanty	Country Director
Edison Nsubuga	Deputy Country Director (Programmes)

#### PEAS Zambia:

Racheal Kalaba	Managing Director
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The pay of the charity's key management personnel, excluding the Board of Trustees, is reviewed annually and where necessary increased in accordance with average earnings. In view of the nature of the charity, its economy of operations, and the extensive use of professional advisers to the trust board, the trustees consider that a multiple of up to three times the median average salary for UK employees is appropriate for role of the Chief Executive Officer and other key management personnel. The remuneration is also bench-marked with charities of a similar size and activity to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles.

### Finance, Audit and Risk Committee (FARC)

The Finance, Audit and Risk Committee was established in 2015 as a sub-committee of the PEAS board to enable PEAS' financial management and policies to be reviewed in greater detail.

The committee meets on a quarterly basis, usually shortly before board meetings, and holds other meetings if required on an ad-hoc basis. The committee is made up of the following people:

Micky Sandall, *Chair of the Committee*

Gary Parekh

Catherine Brien

John Rendel

Mike Saxton (Acting Secretary to the Committee) (resigned 11 May 2016)

### Objectives, purposes and activities

In Sub-Saharan Africa, **only one in three** children have access to secondary education. PEAS is working to increase equitable access to secondary school to some of the most disadvantaged children in Uganda and Zambia.

Our mission is to unlock the potential of Africa by delivering equal access to affordable, quality secondary education, and to do so in a manner that creates a sustainable education platform, locally run and not reliant on outside aid. We want everyone to have equal opportunities to thrive in their own right - Girls and boys, poor and disadvantaged. No matter where you live, your status or role.

### Achievements and performance

Among the major highlights of PEAS' achievement and performance in 2015-16 are:

- Increasing the number of PEAS Schools in Uganda to 28 by completing 4 new schools in Uganda. This has increased the number of students to over 13,000 accounting for 1% of all secondary school students in Uganda.
- Recording the highest grades at Grade 9 level in Zambia, outperforming the national average results by 7%.
- Achieving a significant level of impact as evidenced in the report by the Economic Policy Research Centre of Makerere University, Uganda. The report confirms that 60% of students in PEAS schools come from the lowest two wealth quintiles in Uganda as opposed to 39% and 18% in Government and Private schools respectively.
- The National Assessment of Progress in Education (NAPE) of the Uganda National Examination Board in their evaluation report show that although PEAS Students start off further behind their peers, within 1-2 years they have attained equal or better Maths and English test scores in both government and other private schools.
- Making great strides towards achieving agreement on an innovative, improved ground breaking PPP arrangement with the Government of Uganda.

### Financial review

#### Income

PEAS total income for 2015/16 was £5.3m. This included a one-off donation in kind by ARK of school buildings valued at £1.2m. Excluding the ARK donated buildings, there was a reduction of 14% on 2014/15 income. The main cause of this decrease was a 20% reduction in donations and legacies despite a 19% increase in school level income across PEAS' 30 Schools. Each school earned an average of £50,000 from a combination of per-pupil subsidy from government, lunch fees for day students and boarding fees.

## PROMOTING EQUALITY IN AFRICAN SCHOOLS (PEAS) (a Company Limited by Guarantee)

### R E P O R T O F T H E T R U S T E E S

Year ended 31 January 2016

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PEAS received a number of donations in excess of £10,000 from the following individuals and organisations to whom we are very grateful: DFID, Costa Foundation, ELMA Philanthropies, Fondation Eagle, The Four Acre Trust, SITA Foundation, Allan & Nesta Foundation, Danson Foundation, British & Foreign School Society (BFSS). We would also like to thank a number of donors who wished to remain anonymous. Over 50% of the total income in the year was from Donations and legacies for construction of PEAS schools and running the Girls Education Challenge Programme.

PEAS would also like to thank the hundreds of individual supporters who have given generously to our work and the many people who have donated, organised their own fundraising events and attended PEAS-organised events. All of these donors have been critical to the success of PEAS, helping us to move the organisation forward.

#### Expenditure

PEAS total expenditure was £3.7m, an increase of 11% over 2014/15. School level costs accounted for 41% of the total expenditure and an increase of 17% over the previous year. This is a reflection both of additional schools and higher costs in the areas of operations.

In addition to school level costs, PEAS main area of expenditure is on the range of activities necessary to build and manage the network of schools including: education quality, training and curriculum development, school management and support (including specialist leadership, finance and HR support to schools), construction management costs and school audit and inspection. This includes regional, country office and UK oversight costs.

#### Schools Construction

The expenditure on school construction is accounted for through PEAS' balance sheet. This is represented by the School Building Fund of £5.3m (2015 - £3.9m) included in total Funds.

During the year PEAS spent £1.1m (2015 - £1.4m) on new school construction and expansion of existing schools network.

#### Fund and reserve position

PEAS has total funds of £5.5m (2015 - £4.7m). Of this, £5.3m is physical school infrastructure in Uganda and Zambia and is distinct from usable cash funds. Of the remaining £0.2m of funds, restricted funds are £0.5m (2015 - £0.7m) and unrestricted funds are £-0.3m (2015 - £0.1m). Restricted funds are lower than in previous year as PEAS spent more on schools infrastructure and running GEARR than it received in the year from grants towards construction of new schools and expansion of existing ones.

#### Reserves and investment policy

PEAS has a reserves and investment policy in place. PEAS UK aims to have unrestricted reserves to cover three months' running costs of the charity in the UK and PEAS Uganda and Zambia. PEAS also has an increasing amount of restricted reserves which are primarily made up of physical assets such as the school buildings.

#### Current position of PEAS reserves

PEAS current and forecast unrestricted reserves and cash position are below the target level set in the reserves policy at £-361k (2015 - £108k). PEAS (UK) has a negative unrestricted fund balance of £407k (2015 - positive £70k). This represents a risk to the PEAS Group.

The board and senior management team are managing this risk by monitoring the cash flow and fund position carefully, intensifying efforts at raising unrestricted grants and donations and by setting prudent budgets which will strengthen the financial position.

In the financial year following the year under review, PEAS has set a range of safe financial parameters, which if breached will trigger a contingency plan discussion at the Board of Trustees level to reduce costs and therefore protect the reserves position.

**PROMOTING EQUALITY IN AFRICAN SCHOOLS (PEAS) (a Company Limited by Guarantee)**

**R E P O R T O F T H E T R U S T E E S**

**Year ended 31 January 2016**

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The principal parameters are:

1. cash in bank greater than one month's group running costs
2. cash plus committed income greater than three months committed expenditure.
3. cash plus committed income plus pipeline income greater than 6 months committed expenditure.

In the Financial year following the year under audit, PEAS partly breached the above financial risk parameters and responded through a combination of lowering costs, drawing down £100k of a total available unrestricted working capital loan of £240,000 from CAF bank and taking additional strategic action while we went about starting to rebuild our unrestricted reserves. While the unrestricted reserve remained in deficit at the year end, reserves are projected to rise quickly as a result of the DfID Uganda's commitment of £5.8m over 4.5 years commencing November 2016. This has been agreed in principle with both the UK Department of International Development and the UK Treasury and which will cover a majority of the organisation's non-school operating costs.

**Plans for future periods**

The significant plans for 2016-17 are to:

- Begin construction of one new school in Zambia under our groundbreaking new public private partnership there.
- Increase enrolment in our Ugandan network.
- Continue to improve learning progress, student retention and education quality across our 30 schools.
- Test whether our schools can operate a mobile money payments system through a staged pilot.
- Return our unrestricted reserves position to above 3 months running costs.

The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by Charity Commission for England and Wales.

The annual report was approved by the trustees of the Charity on 27 Oct 2016 and signed on its behalf by:



2016

CATHERINE GREEN



**PROMOTING EQUALITY IN AFRICAN SCHOOLS (PEAS) (a Company Limited by Guarantee)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

**Year ended 31 January 2016**

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The trustees (who are also the directors of Promoting Equality in African Schools (PEAS) for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as each Trustee is aware, there is no relevant audit information of which the company's auditors are unaware. Each Trustee has taken all reasonable steps that he ought to have taken as a Trustee in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Approved by the trustees of the Charity on 27 Oct and signed on its behalf by:



CATHERINE BRIEN

# PROMOTING EQUALITY IN AFRICAN SCHOOLS (PEAS) (a Company Limited by Guarantee)

## INDEPENDENT AUDITOR'S REPORT

Year ended 31 January 2016

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PROMOTING EQUALITY IN AFRICAN SCHOOLS (PEAS)

We have audited the financial statements of Promoting Equality in African Schools (PEAS) for the year ended 31 January 2016 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Group Cash Flow Statement, the Consolidated Statement of Total Recognised Gains and Losses, the Accounting Policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement on page 8, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report and the Trustees' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

#### Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent's affairs as at 31 January 2016 and of the group's incoming resources and application of resources including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

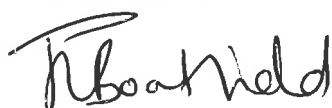
#### Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

#### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or



Joanna Boatfield (Senior statutory auditor)  
For and on behalf of Dixon Wilson, Statutory Auditor  
22 Chancery Lane, London WC2A 1LS

28 October 2016

**PROMOTING EQUALITY IN AFRICAN SCHOOLS (PEAS) (a Company Limited by Guarantee)**

**CONSOLIDATED STATEMENT OF FINANCIAL  
ACTIVITIES (INCLUDING INCOME AND EXPENDITURE  
ACCOUNT)**

**Year ended 31 January 2016**

	Note	Unrestricted 2016 £	Restricted 2016 £	Total 2016 £	Total 2015 £
<b>Income from:</b>					
Donations and legacies		522,691	3,292,340	3,815,031	3,238,742
Charitable activities		1,501,734	-	1,501,734	1,257,623
Investment income		1,833	-	1,833	2,653
Other income		13,057	-	13,057	270,229
<b>Total income</b>	7	<u>2,039,315</u>	<u>3,292,340</u>	<u>5,331,655</u>	<u>4,769,247</u>
<b>Expenditure on:</b>					
Cost of generating funds		274,031	-	274,031	303,477
Charitable activities: school operations		1,535,508	-	1,535,508	1,310,865
Charitable activities: school management, support & construction		692,858	1,222,326	1,915,184	1,783,977
<b>Total expenditure</b>	8	<u>2,502,397</u>	<u>1,222,326</u>	<u>3,724,723</u>	<u>3,323,939</u>
<b>Net movement in funds before exchange differences and transfers</b>					
		(463,082)	2,070,014	1,606,932	1,445,308
Exchange differences	10	(5,793)	(804,752)	(810,545)	(151,337)
<b>Net movement in funds</b>		<u>(468,875)</u>	<u>1,265,262</u>	<u>796,387</u>	<u>1,293,971</u>
<b>Reconciliation of funds</b>					
<b>Total funds brought forward</b>		108,018	4,595,015	4,703,033	3,409,062
<b>Total funds carried forward</b>	20	<u>(360,857)</u>	<u>5,860,277</u>	<u>5,499,420</u>	<u>4,703,033</u>

All of the Charity's activities derive from continuing operations during the above period.

PROMOTING EQUALITY IN AFRICAN SCHOOLS (PEAS) (a Company Limited by Guarantee)


CONSOLIDATED BALANCE SHEET

At 31 January 2016

Company number: 6552715

	Note	2016 Group £	2016 Charity £	2015 Group £	2015 Charity £
<b>Fixed assets</b>					
Tangible assets	15, 16	5,422,343	2,624	3,989,917	2,504
Intangible assets	17	8,950	-	10,876	-
		<u>5,431,293</u>	<u>2,624</u>	<u>4,000,793</u>	<u>2,504</u>
<b>Current assets</b>					
Debtors	18	543,508	212,890	446,078	205,530
Cash at bank and in hand		125,068	50,965	605,252	565,149
<b>Total current assets</b>		<u>668,576</u>	<u>263,855</u>	<u>1,051,330</u>	<u>770,679</u>
<b>Creditors: amounts falling due within one year</b>	19	<u>(600,449)</u>	<u>(88,637)</u>	<u>(344,289)</u>	<u>(45,922)</u>
<b>Net current assets</b>		<u>68,127</u>	<u>175,218</u>	<u>707,041</u>	<u>724,757</u>
<b>Total assets less current liabilities</b>		<u>5,499,420</u>	<u>177,842</u>	<u>4,707,834</u>	<u>727,261</u>
<b>Creditors: amounts falling due after one year</b>	19	-	-	(4,801)	-
<b>Net assets</b>		<u>5,499,420</u>	<u>177,842</u>	<u>4,703,033</u>	<u>727,261</u>
<b>Funds</b>					
Unrestricted funds		(360,857)	(407,126)	108,018	67,904
Restricted funds		486,122	584,968	659,357	659,357
School buildings fund		5,374,155	-	3,935,658	-
<b>Total funds</b>	20	<u>5,499,420</u>	<u>177,842</u>	<u>4,703,033</u>	<u>727,261</u>

The financial statements on pages 10 to 27 were approved by the Board of Trustees on 27 Oct 2016 and were signed on its behalf by:-

  
 CATHERINE BRIEN  
 Trustee

**PROMOTING EQUALITY IN AFRICAN SCHOOLS (PEAS) (a Company Limited by Guarantee)**

**CONSOLIDATED STATEMENT OF TOTAL RECOGNISED  
GAINS AND LOSSES**

**Year ended 31 January 2016**

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	Note	2016 £	2015 £
Surplus/(deficit) for the financial year		5,499,420	4,703,033
Total recognised gains and losses since last annual report		<u>5,499,420</u>	<u>4,703,033</u>

PROMOTING EQUALITY IN AFRICAN SCHOOLS (PEAS) (a Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 January 2016

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	Note	Group 2016 £	Group 2015 £
<b>Cash generated by operating activities</b>	23	738,495	1,208,706
Investment income		1,833	2,653
Purchase of tangible fixed assets		(1,168,917)	(1,145,134)
<b>Net cash used in investing activities</b>		(1,167,084)	(1,142,481)
Increase/(decrease) in cash and cash equivalents in the year		(428,589)	66,225
Change in cash and cash equivalents due to exchange rate movements		(51,595)	(23,434)
Cash and cash equivalents at the beginning of the year		605,252	562,461
<b>Total cash and cash equivalents at the end of the year</b>		<u>125,068</u>	<u>605,252</u>

Year ended 31 January 2016

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## 1. Accounting policies

### Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### Basis of preparation

The financial statements have been prepared in accordance with 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) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Promoting Equality in African Schools (PEAS) meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

#### Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the charities SORP FRS 102 the restatement of comparative items was required. No restatements were required.

#### Preparation of the accounts on a going concern basis

The Charity's current and forecasted unrestricted reserves and cash position are below the target levels set out in the reserves policy. The Trustees are closely monitoring this position and have implemented prudent budgets designed to strengthen the financial position of the Charity. The Trustees have a reasonable expectation, and especially with a major grant from DfID Uganda, that the Charity has adequate resources to continue operating for the foreseeable future, thus they continue to adopt the going concern basis in preparing the financial statements.

#### Presentational currency

The consolidated financial statements are denominated in Pounds Sterling.

#### Group financial statements

The financial statements consolidate the results of the charity and its partner organisations PEAS Uganda and PEAS Zambia, which are under the common control of PEAS UK, on a line by line basis. A separate Statement of Financial Activities, and income and expenditure account, for the charity itself are not presented in accordance with the applicable exemptions afforded by section 408 of the Companies Act 2006.

#### Income

Income is recognised when the charity has entitlement to the funds, any conditions attached to the items have been met, it is probable that the income will be received and the amount can be measured reliably.

The following specific policies are applied to particular categories of income:

- (i) Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when the charity is entitled to the income.
- (ii) Incoming resources from tax reclaims (Gift Aid) are recognised at the same time as the gift to which they relate.
- (iii) Donated services and facilities (gifts in kind) are included at the price the charity would pay in the open market where this can be quantified.
- (iv) The value of services provided by volunteers has not been included as income in these accounts.
- (v) Investment income is included when receivable.

Year ended 31 January 2016

**Expenditure**

Expenditure is recognised on an accruals basis as a liability is incurred, and includes any VAT which cannot be fully recovered.

- (i) Resources expended on charitable activities comprises expenditure related to the direct furtherance of the charity's objectives. Grants payable are included under charitable expenditure when a contract is signed with the grantee. Where costs cannot be directly attributed, they have been allocated to activities on a basis consistent with the use of resources.
- (ii) Governance costs are those incurred in connection with the management of the charity's assets, organisational administration and compliance with constitutional and statutory requirements.
- (iii) The value of services provided by volunteers has not been included as expenditure in these accounts.

**Tangible fixed assets and depreciation**

Tangible fixed assets costing over £500 (including any incidental expenses of acquisition) are capitalised. Provision for depreciation is made so as to write off the cost or valuation of tangible fixed assets, less any residual value, on a straight line basis over the expected useful economic lives of the assets concerned. Depreciation is calculated on a straight line basis over the estimated useful life of the asset as follows:

Buildings	25 years
Furniture and fittings (Uganda)	4 years
Furniture and fittings (Zambia)	5 years
Motor vehicles	4 years
Computer and office equipment (Uganda)	3 years
Computer and office equipment (UK)	4 years
Computer and office equipment (Zambia)	5 years
Machinery	5 years

The effect of these different depreciation rates between the group entities is not considered to have a significant effect on the financial statements and so no adjustment has been made upon consolidation.

**Capital work in progress**

All assets that are under construction or assembling in a project nature are classified as work in progress. Assets in the course of construction (capital work in progress) are not depreciated. Upon completion, the accumulated cost is transferred to an appropriate asset category where it is depreciated according to the policy on property and equipment.

**Intangible Assets**

The charity has entered into land leasehold arrangements and has determined, based on an evaluation of the terms and conditions of the arrangements, that it does not retain all the significant risks and rewards of ownership of the land and accounts for the contracts as operating leases.

**Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**Cash at bank and in hand**

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.



Year ended 31 January 2016

**Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**Financial instruments**

The trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**Fund accounting**

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for a particular area of the charity's work.

**Pensions**

Employees of the charity are entitled to join a defined contribution 'money purchase' scheme. The costs of the defined contribution scheme are included within support and governance costs and charged to the unrestricted funds of the charity.

The pension fund is converted into a pension upon the employee's normal retirement age which is defined as when they are eligible for a state pension. The charity has no liability beyond making its contributions and paying across the deductions for the employee's contributions.

**2. Legal status of the charity**

The Charity is a company limited by guarantee incorporated in the UK and has no share capital.

**3. Financial performance in the prior year**

	2015 Unrestricted £	2015 Restricted £	2015 Total £
<b>Income:</b>			
Donations and legacies	1,477,521	1,761,221	3,238,742
<i>Income from charitable activities:</i>			
Earned income from charitable activities	1,257,623	-	1,257,623
Investment income	88	2,565	2,653
Other income	54,944	215,285	270,229
<b>Total income</b>	<u>2,790,176</u>	<u>1,979,071</u>	<u>4,769,247</u>
<b>Expenditure</b>			
<i>Expenditure on charitable activities:</i>			
Charitable activities: school operations	1,310,865	-	1,310,865
Charitable activities: school management, support & construction	1,133,867	650,110	1,783,977
<b>Total expenditure</b>	<u>2,673,829</u>	<u>650,110</u>	<u>3,323,939</u>

(continued)

PROMOTING EQUALITY IN AFRICAN SCHOOLS (PEAS) (a Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 January 2016

**3. Financial performance in the prior year**  
(continued)

	<b>2015</b>	<b>2015</b>	<b>2015</b>
	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Net movement in funds before exchange difference and transfers</b>	116,347	1,328,961	1,445,308
Exchange differences	(87,665)	(63,672)	(151,337)
Transfers between funds	(214,243)	214,243	-
<b>Net movement in funds</b>	<b>(185,561)</b>	<b>1,479,532</b>	<b>1,293,971</b>
<b>Reconciliation of funds</b>			
<i>Total funds brought forward</i>	<u>293,579</u>	<u>3,115,483</u>	<u>3,409,062</u>
<b>Total funds carried forward</b>	<u><b>108,018</b></u>	<u><b>4,595,015</b></u>	<u><b>4,703,033</b></u>

**4. Financial performance of PEAS UK**

The consolidated Statement of Financial Activities includes the results of PEAS UK.

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Incoming resources	2,608,996	3,269,679
Cost of generating funds:	(269,410)	(229,097)
Charitable activities	(2,889,005)	(2,619,932)
<b>Net incoming resources</b>	<u><b>(549,419)</b></u>	<u><b>420,650</b></u>
Total funds brought forward	727,261	306,611
<b>Total funds carried forward</b>	<u><b>177,842</b></u>	<u><b>727,261</b></u>
Represented by:		
Unrestricted funds	(407,126)	67,904
Restricted funds	584,968	659,357
	<u><b>177,842</b></u>	<u><b>727,261</b></u>

Year ended 31 January 2016

**5. Financial performance of PEAS Uganda Limited**

The consolidated Statement of Financial Activities includes the results of PEAS Uganda Limited, a company incorporated in Uganda.

	2016	2015
	£	£
<b>Income</b>		
Grant income	3,067,577	1,838,406
School income	1,473,492	1,222,544
Other income	1,912	30,404
	<u>4,542,981</u>	<u>3,091,354</u>
<b>Expenditure</b>		
Construction and project expenses	(876,059)	(886,164)
Supplies and other costs	(1,503,701)	(1,275,787)
Consultancies and training	(126,691)	(115,076)
Foreign exchange movement	(397,250)	(94,463)
	<u>1,639,280</u>	<u>719,864</u>
<b>Net surplus</b>	1,639,280	719,864
Reserves brought forward	3,128,514	2,408,650
Reserves carried forward	<u>4,767,794</u>	<u>3,128,514</u>
<b>The assets and liabilities of the subsidiary were:</b>		
Fixed assets – including school land and buildings	4,869,440	3,159,824
Current assets	395,575	263,621
Current Liabilities	(497,221)	(294,931)
Net assets	<u>4,767,794</u>	<u>3,128,514</u>

Included within school income is £1.2m representing the gift of schools to PEAS Uganda.

**6. Financial performance of PEAS Zambia**

The consolidated Statement of Financial Activities includes the results of PEAS Zambia Limited, a company incorporated in Zambia.

	2016	2015
	£	£
<b>Income</b>		
Grant income	178,927	98,221
School income	28,243	35,078
Other income	227	211,486
	<u>207,397</u>	<u>344,785</u>
<b>Expenditure</b>		
Operating expenses: supervision and construction	(126,111)	(99,950)
Operating expenses: school	(31,806)	(35,078)
Foreign exchange movement	(342,953)	(8,639)
	<u>(293,473)</u>	<u>201,118</u>
<b>Net (deficit)/surplus</b>	(293,473)	201,118
Reserves brought forward	847,230	646,112
Reserves carried forward	<u>553,757</u>	<u>847,230</u>

(continued)

Year ended 31 January 2016

6. Financial performance of PEAS Zambia (continued)

	2016 £	2015 £
<b>The assets and liabilities of the subsidiary were:</b>		
Fixed assets – including school land and buildings	559,230	838,464
Current assets	9,145	17,030
Current liabilities	(14,618)	(8,264)
Net assets	<u>553,757</u>	<u>847,230</u>

7. Income received

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total 2016 £	Total 2015 £
<b>Donations and legacies</b>				
Cash donations received	376,768	1,222,667	1,599,435	2,112,661
Donated assets	-	1,218,786	1,218,786	-
Services in kind	25,000	-	25,000	-
Government grants	120,923	850,887	971,810	1,126,081
	<u>522,691</u>	<u>3,292,340</u>	<u>3,815,031</u>	<u>3,238,742</u>
<b>Charitable activities</b>				
Tuition and boarding fees	1,185,465	-	1,185,465	1,114,977
Universal Secondary Education (USE) grant	316,269	-	316,269	142,646
	<u>1,501,734</u>	<u>-</u>	<u>1,501,734</u>	<u>1,257,623</u>
<b>Investment income</b>				
Bank interest receivable	1,833	-	1,833	2,653
	<u>1,833</u>	<u>-</u>	<u>1,833</u>	<u>2,653</u>
<b>Other income</b>				
Services in kind	-	-	-	54,944
Inclusion of school-level funds within consolidation	-	-	-	205,776
Sundry income	13,057	-	13,057	9,509
	<u>13,057</u>	<u>-</u>	<u>13,057</u>	<u>270,229</u>
	<u>2,039,315</u>	<u>3,292,340</u>	<u>5,331,655</u>	<u>4,769,247</u>

PROMOTING EQUALITY IN AFRICAN SCHOOLS (PEAS) (a Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 January 2016

8. Resources expended

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total 2016 £	Total 2015 £
<b>Costs of generating funds</b>				
Direct costs	229,991	-	229,991	190,221
Support Costs	44,040	-	44,040	38,876
	<u>274,031</u>	<u>-</u>	<u>274,031</u>	<u>229,097</u>
<b>Charitable activities</b>				
School running costs (operations)	1,535,508	-	1,535,508	1,310,865
School network management, support and construction	126,111	1,002,749	1,128,860	1,101,190
Project management and oversight	399,651	219,577	619,228	499,555
Support Costs	123,314	-	123,314	108,852
Governance costs (see below)	43,782	-	43,782	74,380
	<u>2,228,366</u>	<u>1,222,326</u>	<u>3,450,692</u>	<u>3,094,842</u>
<b>Total expenditure</b>	<b><u>2,502,397</u></b>	<b><u>1,222,326</u></b>	<b><u>3,724,723</u></b>	<b><u>3,323,939</u></b>
Governance costs comprise of the following:				
Professional fees	20,343	-	20,343	52,605
Audit fee	14,400	-	14,400	14,000
Board meetings	231	-	231	-
Support costs	8,808	-	8,808	7,775
	<u>43,782</u>	<u>-</u>	<u>43,782</u>	<u>74,380</u>

Support costs relate to the staff and running costs of the charity's London office and are allocated on a basis consistent with the use of resources. Included in support costs is an amount of £nil (2015 - £34,944) representing the estimated value of the rent free office space the charity received during the year, and an amount of £20,000 (2015 - £20,000) representing the estimated value of the pro bono legal support provided to the charity by Hogan Lovells International LLP.

9. Auditor remuneration

	2016 £	2015 £
Fees payable to the charity's auditor for the audit of the charity's financial statements	<u>14,400</u>	<u>14,000</u>
Fees payable to the charity's auditor for other services: Preparation of consolidated accounts	<u>2,400</u>	<u>-</u>
Fees payable to the auditors of the charity's subsidiaries	<u>14,562</u>	<u>17,233</u>

PROMOTING EQUALITY IN AFRICAN SCHOOLS (PEAS) (a Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 January 2016

10. Exchange differences	2016 £	2015 £
Total exchange gain/(loss)	(810,545)	(151,337)

The consolidated accounts include the value of the school land and buildings owned by PEAS Uganda and PEAS Zambia.

The book value of these assets in the accounts of PEAS Uganda is stated in Ugandan Shillings (UGX) & Zambia Kwacha (ZMW) and converted to GBP as part of the consolidation process. The combined value of this estate is approximately £5.4m (2015 - £4m) at the balance sheet date, and this large value means that a relatively small shift in the UGX:GBP or ZMW:GBP exchange rate over the course of a year can produce a significant exchange difference on consolidation. However as it relates to the GBP valuation of a category of fixed assets that the charity intends to hold beyond the 25 year depreciation period to the point when their book value will be zero, any exchange difference represents a book entry rather than what might be considered a "real" exchange gain or loss on an investment or a saleable asset.

11. Analysis of staff costs	2016 £	2015 £
Salaries and wages	955,793	791,749
Pension	17,738	7,793
Social security costs	130,425	77,706
	<u>1,103,956</u>	<u>877,248</u>

The average monthly number of full-time equivalent employees (including casual and part-time staff) during the year were as follows:

	2016 £	2015 £
UK management and support	9	11
Uganda – management and support	49	38
Zambia – management and support	4	4
Schools – leadership, teachers and support	860	692
	<u>922</u>	<u>745</u>

The number of staff whose emoluments were in excess of £60,000 during the year were as follows:

£60,001 - £70,000	1	1
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Year ended 31 January 2016

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**12. Related party transactions**

There were no related party transactions during the year nor the prior year.

The trustees all give freely their time and expertise without any form of remuneration or other benefit in cash or kind (2015 - £nil).

No expenses were paid to the trustees in the year (2015 - £nil).

The key management personnel of the parent charity, PEAS UK, comprise of the Board of Trustees, the Chief Executive Officer, the Director of Country Operations, the Chief Technical Officer, the Fund-Raising Manager and the Director of Finance & Resources. The total employee benefits of the key management personnel of PEAS UK were £293k (2015 - £186k).

The key management personnel of the group comprise of those of PEAS UK and the key management personnel of its wholly owned subsidiaries PEAS Uganda Limited and PEAS Zambia Limited. The total employee benefits of the key management personnel of PEAS Uganda was £33k (2015 - £18k) and for PEAS Zambia was £13k (2015 - £14k).

The employee benefits of key management personnel for the Group was therefore £339k (2015 - £219k).

The total employee benefits of key management personnel for the Group is expected to fall in the next financial year due to restructuring.

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**13. Government Grants**

**The UK Government Department for International Development (DfID)**

The UK Government supports PEAS through GEC and UK Aid Match. The GEC will help up to a million of the world's poorest girls improve their lives through education and provides restricted funds to projects which help achieve the overarching GEC objectives. During the year PEAS received a total of £851k (2015 - £919k) in grants towards the GEC programmes in Uganda.

DfID also supports PEAS via UK Aid Match, the British Government's scheme to give the public a say in how a portion of the existing aid budget is spent by matching public donations to charity appeals for projects to reduce poverty in developing countries.

Donations received under the UKAIM scheme are treated as unrestricted. In the year £121k (2015 - £207k) was received under the scheme.

**Ministry of Education and Sports, Government of Uganda**

PEAS signed a Memorandum of Understanding with the Government in 2010, entering into a secondary education public-private partnership.

Through this, PEAS receives a per-pupil per term capitation grant (Universal Secondary Education, or USE, grant), enabling PEAS to eliminate tuition fees for eligible students. During the year PEAS received an equivalent of £316k (2015 - £139k) under the USE grant.

**Ministry of Education, Government of Zambia**

Under a special agreement with the Zambia Ministry of Education, teacher salaries at the PEAS schools in Zambia are paid for by the Government. As teacher salaries are one of the biggest expenses for a school, this cost-saving allows PEAS to keep costs to students low. The teacher salary costs paid under the arrangements are not included in these financial statements.

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**14. Corporation Tax**

Promoting Equality in African Schools is a registered charity and as such is exempt from tax on its income to the extent this is applied for charitable purposes.

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## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 January 2016

**15. Tangible fixed assets – Group**

	Buildings £	Freehold land £	Work in progress £	Motor vehicles & cycles £	Computers & office equipment £	Total £
<b>Cost</b>						
<b>At 1 February 2015</b>	3,327,633	220,195	610,542	61,866	62,607	4,282,843
Additions	1,408,976	15,169	935,843	10,311	17,402	2,387,701
Transfers/disposals	1,225,157	-	(1,225,157)	-	-	-
Exchange differences	(668,769)	(30,389)	(87,581)	(8,512)	(10,581)	(805,832)
<b>At 31 January 2016</b>	<u>5,292,997</u>	<u>204,975</u>	<u>233,647</u>	<u>63,665</u>	<u>69,428</u>	<u>5,864,712</u>
<b>Depreciation</b>						
<b>At 1 February 2015</b>	222,712	-	-	34,339	35,875	292,926
Charge for year	171,199	-	-	12,270	14,334	197,803
Exchange differences	(36,446)	-	-	(5,690)	(6,224)	(48,360)
<b>At 31 January 2016</b>	<u>357,465</u>	<u>-</u>	<u>-</u>	<u>40,919</u>	<u>43,985</u>	<u>442,369</u>
<b>Net book value</b>						
<b>At 31 January 2016</b>	<u>4,935,532</u>	<u>204,975</u>	<u>233,647</u>	<u>22,746</u>	<u>25,443</u>	<u>5,422,343</u>
<b>At 1 February 2015</b>	<u>3,104,921</u>	<u>220,195</u>	<u>610,542</u>	<u>27,527</u>	<u>26,732</u>	<u>3,989,917</u>

**16. Tangible fixed assets - Charity**

	Computers & office equipment £
<b>Cost</b>	
<b>At 1 February 2015</b>	6,282
Additions	747
Transfers/disposals	-
<b>At 31 January 2016</b>	<u>7,029</u>
<b>Depreciation</b>	
<b>At 1 February 2015</b>	3,778
Charge for the year	627
<b>At 31 January 2016</b>	<u>4,405</u>
<b>Net book value</b>	
<b>At 31 January 2016</b>	<u>2,624</u>
<b>At 1 February 2015</b>	<u>2,504</u>



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NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 January 2016

17. Intangible fixed assets - Group

	Prepaid operating lease rentals £
<b>Cost</b>	
<b>At 1 February 2015</b>	15,638
Additions	-
Transfers/disposals	-
Exchange differences	(2,863)
<b>At 31 January 2016</b>	<u>12,775</u>
<b>Amortisation</b>	
<b>At 1 February 2015</b>	4,762
Charge for the year	450
Exchange differences	(1,387)
<b>At 31 January 2016</b>	<u>3,825</u>
<b>Net book value</b>	
<b>At 31 January 2016</b>	<u>8,950</u>
<b>At 1 February 2015</b>	<u>10,876</u>

18. Debtors: amounts falling due within one year

	Group 2016 £	Group 2015 £	Charity 2016 £	Charity 2015 £
Donations receivable	157,588	200,119	157,588	200,119
Gift aid receivable	9,552	5,411	9,552	5,411
Prepayments	28,706	155,144	7,500	-
School debtors	289,788	79,554	-	-
Other debtors	57,874	5,850	38,250	-
	<u>543,508</u>	<u>446,078</u>	<u>212,890</u>	<u>205,530</u>

PROMOTING EQUALITY IN AFRICAN SCHOOLS (PEAS) (a Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 January 2016

19. Creditors: amounts falling due within one year

	Group 2016 £	Group 2015 £	Charity 2016 £	Charity 2015 £
Trade creditors	144,129	82,917	34,792	-
Taxation and social security	113,905	42,165	17,574	15,196
School creditors	359	174,842	-	-
Accruals	159,431	37,073	15,619	22,905
Sundry creditors and provisions	182,625	7,292	20,652	7,821
	<u>600,449</u>	<u>344,289</u>	<u>88,637</u>	<u>45,922</u>

Creditors: amounts falling due after one year

	Group 2016 £	Group 2015 £	Charity 2016 £	Charity 2015 £
Staff creditors	-	4,801	-	-
<b>Total</b>	<u>-</u>	<u>4,801</u>	<u>-</u>	<u>-</u>

20. Analysis of movements in funds

Current year analysis	Balance at 31 January 2015 £	Incoming £	Outgoing £	Transfers between funds £	Exchange differences £	Balance at 31 January 2016 £
<b>Restricted Funds</b>						
UGANDA – General	44,934	-	(41,184)	-	-	3,750
UGANDA – Construction	364,849	1,211,804	(223,262)	(925,616)	(98,846)	328,929
UGANDA – Girls Education Campaign	222,000	850,887	(930,307)	-	-	142,580
UGANDA – Programmes	27,574	10,863	(27,574)	-	-	10,863
	<u>659,357</u>	<u>2,073,554</u>	<u>(1,222,327)</u>	<u>(925,616)</u>	<u>(98,846)</u>	<u>486,122</u>
School fixed asset fund	3,935,658	1,218,786	-	925,616	(705,905)	5,374,155
<b>Unrestricted funds</b>	<u>108,018</u>	<u>2,039,315</u>	<u>(2,502,397)</u>	<u>-</u>	<u>(5,793)</u>	<u>(360,857)</u>
<b>Total funds</b>	<u>4,703,033</u>	<u>5,331,655</u>	<u>(3,724,724)</u>	<u>-</u>	<u>(810,544)</u>	<u>5,499,420</u>

(continued)

PROMOTING EQUALITY IN AFRICAN SCHOOLS (PEAS) (a Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 January 2016

20. Analysis of movements in funds (continued)

Prior year analysis	Balance at 31 January 2014 £	Incoming £	Outgoing £	Transfers between funds £	Exchange differences £	Balance at 31 January 2015 £
<b>Restricted Funds</b>						
UGANDA – General	44,934	272,515	-	(272,515)	-	44,934
UGANDA – Construction	-	622,105	-	(249,973)	(7,283)	364,849
UGANDA – Girls Education Campaign	-	918,783	(507,593)	(189,190)	-	222,000
UGANDA – Programmes	-	165,668	(138,094)	-	-	27,574
KENYA 4,423	-	(4,423)	-	-	-	-
	<u>49,357</u>	<u>1,979,071</u>	<u>(650,110)</u>	<u>(711,678)</u>	<u>(7,283)</u>	<u>659,357</u>
School fixed asset fund	3,066,126	-	-	925,921	(56,389)	3,935,658
<b>Unrestricted funds</b>	<u>293,579</u>	<u>2,790,176</u>	<u>(2,673,829)</u>	<u>(214,243)</u>	<u>(87,665)</u>	<u>108,018</u>
<b>Total funds</b>	<u><b>3,409,062</b></u>	<u><b>4,769,247</b></u>	<u><b>(3,323,939)</b></u>	<u><b>-</b></u>	<u><b>(151,337)</b></u>	<u><b>4,703,033</b></u>

UGANDA - General	Funding received from donors for PEAS Uganda but not restricted to specific activity.
UGANDA - Construction	Funds to cover the design and building of our schools in Uganda
UGANDA - Girls Education Campaign	DfID funded programme aiming to reach about 10,000 marginalised girls in Uganda and improve their learning outcomes. The project will take place in all PEAS schools in Uganda between October 2013 and February 2016.
UGANDA - Programmes	Funds to cover running our schools and educational programmes in Uganda
KENYA	Funds received to support our Kenyan partner the Got Matar Community Development Group in running a secondary school in the Got Matar district.

21. Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Fixed assets	2,624	5,428,669	5,431,293	4,000,793
Current assets	162,920	505,656	668,576	1,051,330
Current liabilities	(526,401)	(74,048)	(600,449)	(344,289)
Non-current liabilities	-	-	-	(4,801)
<b>Net assets at 31 January 2016</b>	<u><b>(360,857)</b></u>	<u><b>5,860,277</b></u>	<u><b>5,499,420</b></u>	<u><b>4,703,033</b></u>

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 January 2016

**22. Post balance sheet events**

As at the signing date PEAS UK was in the process of agreeing further funding from DfID following the expiration of their previous funding agreement immediately after the year end. The funding of £5.8m for the following 4.5 years has been agreed in principle and is awaiting confirmation of approval by the UK Treasury.

**23. Reconciliation of net movement in funds to net cash flow from operating activities**

	<b>Group 2016</b>	<b>Group 2015</b>
	<b>£</b>	<b>£</b>
Net movement in funds	796,387	1,293,971
Add back depreciation charge	197,804	113,422
Add back amortisation charge	450	525
Deduct non-cash grants received	(1,218,788)	(205,776)
Exchange differences	810,545	151,337
Deduct interest and other income shown in investing activities	(1,833)	(2,653)
Increase	(97,429)	(293,518)
Increase in creditors	251,359	151,398
<b>Net cash generated by operating activities</b>	<b>738,495</b>	<b>1,208,706</b>