

PROMOTING EQUALITY IN AFRICAN SCHOOLS (PEAS)

(A Company Limited by Guarantee)

Company number: 06552715

REPORT AND AUDITED ACCOUNTS

YEAR ENDED 31 JANUARY 2015

PROMOTING EQUALITY IN AFRICAN SCHOOLS (PEAS)

General Information

Year ended 31 January 2015

Contents:

Charity Information.....	3
Mission and Objectives	4
Introduction by the Chief Executive, John Rendel	5
Trustees Annual Report	
Highlights.....	6
Girls' Education Challenge:	6
Advocacy:	6
An Education:.....	6
Achievement and Performance.....	7
Exam results:	7
Thought Leadership and Awards:.....	7
Future plans	8
Organisational Strengthening.....	9
EncycloPEASia: codifying our work	9
SchoolTool: enhancing our data collection and analysis	9
Capacity Building:.....	9
Regionalisation: moving more support closer to the school	10
Partnerships.....	10
Financial Overview.....	12
Income	12
Expenditure analysis.....	12
Surplus / deficit	13
School level finances: SmartAid in action	13
Fund and reserve position	13
Reserves and investment policy	13
Current position of PEAS reserves.....	13
Governance.....	14

PROMOTING EQUALITY IN AFRICAN SCHOOLS (PEAS)

General Information

Year ended 31 January 2015

Charity Information

Registered address:	7-14 Great Dover Street, London, SE1 4YR
Auditors:	Dixon Wilson, 22 Chancery Lane, London, WC2A 1LS
Bankers:	Barclays Bank, 2 Victoria Street, London, SW1H 0ND
Lawyers:	Hogan Lovells, 50 Holborn Viaduct, London EC1A 2FG
Management consultants:	Oliver Wyman, 55 Baker Street, London, W1U 8EW
Accountants:	Accounting Solutions for Charities, 22 Bramshill Gardens, London, NW5 1JH
Trustees and directors:	David Townsend Celia Petty (resigned December 2014) Rhys Pullen Frederic Nze Lucy Heller (resigned September 2015) Catherine Brien - Chair (appointed as a trustee May 2014; appointed chair December 2014) Sharon Ring (appointed September 2015) Matthew Goldie-Scott (appointed September 2015)
Company secretary:	John Rendel (resigned December 2014), Mike Saxton (appointed December 2014)
Company number:	06552715
Charity number:	1126550

Mission and Objectives

Our mission is to expand access to sustainably delivered, quality secondary education across Africa.

Since the 1997 launch of free primary schooling in Uganda, enrolment at primary school has reached 93% and the number of primary schools leavers has increased dramatically. Uganda launched Universal Secondary Education (USE) in 2007, granting eligible students a capitation grant to encourage enrolment and aid attendance. However, a severe lack of places and high fees means that most young Ugandans are still denied the opportunity to continue their education beyond primary school. Secondary school net enrolment is just 24%.

PEAS (Promoting Equality in African Schools) aims to widen access to quality secondary education on a permanent basis by building and managing networks of secondary schools in Uganda and Zambia. The networks of schools are managed by in-country teams of nationals of that country. PEAS UK raises funds from charitable donations to build and launch schools in Uganda and Zambia which are run using PEAS' innovative SmartAid management model. SmartAid ensures the schools become financially self-sufficient and sustainable through a mix of recurrent income streams: per-pupil government grant, low fees and income generating activities – therefore eliminating ongoing reliance on fundraising income. PEAS monitors each school's financial sustainability by analysing financial and school performance data and by conducting regular audits of schools. PEAS also works to uphold and improve education standards by implementing a comprehensive education quality programme, including teacher training, school leadership support and school inspections.

PEAS operates through a Public Private Partnership (PPP) with the Ugandan Government, which provides a per-pupil subsidy in 20 out of 24 PEAS schools in Uganda, partially covering the cost of educating students. Students pay low lunch fees, as the UGX47,000 (£11) received from the Government per-pupil per term is not yet quite sufficient to cover the full running costs of the schools. PEAS also received support from the Zambian Government through the provision of government-paid teachers in our two schools in Zambia.

It is our vision to make PEAS schools exemplars of excellence, which provide a high quality education at a low cost. It is crucial that our schools are accessible to all pupils and operate sustainably. PEAS continues to advocate for a rise in the per-pupil subsidy provided by the Ugandan Government and for its introduction in Zambia so that we can eventually make all our schools both free to students and financially sustainable.

Introduction by the Chief Executive, John Rendel

It has been another key year for PEAS. We have focused on strengthening the organisation's management capacity and systems as well as the quality of education that we offer in our schools. PEAS has grown rapidly, with 26 schools across Uganda and Zambia. We have equipped almost 17,000 children with a life-changing education while creating a truly unique approach to development which is gaining wider recognition. Our recent concentration on quality has seen our Uganda network rise into the top 25% of schools even while we run our schools on a fraction of the cost per child of other top performers.

In 2014/15 PEAS concentrated on strengthening our core operations to prepare for a further period of more rapid scale. As well as hiring some critical new senior management roles, we have developed and implemented new processes, policies and procedures that will make us stronger, more efficient and more durable. This concentration on organisational strengthening meant pausing the construction of new schools to better ensure we could maximise our long term impact. As with all young organisations, we have also progressively redistributed leadership of the internal management of the organisation from the CEO to the senior management team. 2014/15 was the year in which I felt PEAS shifted from an energetic start up to a strong, stable and professional social enterprise ready to deliver change at scale over the coming years.

In Uganda, to ensure the highest quality support and supervision of our schools we introduced three regional offices with regional programme managers overseeing up to ten schools. Each region will have a small team of education specialists to help provide professional development training for school staff. We also launched the SchoolTool information management system and invested in financial training and support to ensure each school runs efficiently and manages its finances prudently and transparently. With school inspection results continuing to improve, we are confident of further improvements in exam results which are already well above similar schools.

Our results are testament to the commitment of our 600 staff and the quality of the education we provide to our students. They also show the affordability and flexibility of our fee structure, meaning students are less likely to drop out at critical junctures and ensuring they are well-prepared for their exams. Despite living in some of the most remote and disadvantaged communities, learners at PEAS are achieving some of the best results in their respective districts. We are extremely proud of the achievements of this year's students and the ones that will follow.

Our radical approach to development and education has led to yet more industry recognition, with PEAS winning a respected Charity Times Award and also being invited to speak at education sector conferences across the world.

Our ambition as an organisation never falters and in the coming years we will work harder, smarter and with more passion than ever before. The team we have now built is ready to take PEAS to the next level. That ambition will transform the lives of hundreds of thousands of young people in Africa. Scaling up our interventions necessarily requires the support of partners and funders, and I want to take this opportunity now to thank them all for their backing over the years. With this continued support, we are one step closer to seeing a world where children can enjoy an education that unlocks their full potential. Thank you to everyone that has helped us along the way.



Trustees Annual Report

Highlights

In addition to the major work around organisational strengthening and capacity building at a global level, PEAS embarked on the following activities in 2014/15.

Girls' Education Challenge:

Last year, PEAS successfully applied to the Department for International Development's flagship Girls' Education Challenge (GEC), securing a £1.98 million grant for its 'Girls Enrolment, Attendance, Retention and Results' (GEARR) project. The grant will enable PEAS to reach 6,200 marginalised girls in Uganda over a period of two years, and specifically works to address the obstacles that keep girls away from school.

This year, implementation of GEARR is fully underway, with a significant amount of training of PEAS' school staff taking place as part of the launch, development and expansion of a number of GEARR interventions. This included curriculum development training covering four themes: literacy across the curriculum, numeracy across the curriculum and Gender Responsive Pedagogy - to create a positive learning environment for girls within classrooms. The PEAS team was also trained on how to support and monitor literacy and life skills material in schools. Instrumental to this has been our partnership with Ugandan national newspaper, The Daily Monitor, for the Newspaper in Education (NiE) project, which has provided critical teaching and learning resources for lessons.

Finally, Community Engagement has been a central aspect of the GEARR project this year. Marketing, via radio adverts and community meetings, contained messages designed to directly appeal to marginalised girls and their caregivers. Messages included emphasising security at schools, access to sanitary facilities and the range of available co-curricular activities.

Advocacy:

Throughout the course of the year, PEAS held a series of meetings with the Ministry of Education and Sports, in an effort to secure a PPP agreement which would help us reduce fees to zero. Negotiations, although positive, are slow to progress – particularly given the uncertainty of the USE initiative in the country.

Advocacy work also continues in Zambia, with positive inroads being made with the Ministry of Education, Science, Vocational Training and Early Education (MESTVEE). Here a bilateral PPP, where up to 90 percent of the cost of educating students would be subsidised by the government, is under discussion with significant progress expected to be made in 2015.

An Education:

Our annual fundraising event 'An Education' returned this year and raised more than ever before. Hosted by PEAS patron, Jeremy Paxman, the event was attended by a number of celebrities along with PEAS funders and supporters. With some fantastic auction lots, and

generous donations, this year's An Education event raised more on the night than ever before.

Achievement and Performance

Exam results:

PEAS' examination results in 2014 showed steady progress from the previous year and solid performance against national results. Results at PEAS schools rose by 10% with three of our schools now in the top 5% in Uganda. Additionally, as a network, PEAS schools moved into the top 25%.

These results demonstrate the quality of the education programmes PEAS offers its students within its schools. In Uganda, where 75 percent of girls are not enrolled in secondary school, these marks also reflect PEAS' investment in its female students. Girls at PEAS schools make up 51% of our students and now do better than boys in other schools.

Thought Leadership and Awards:

PEAS continues to attract recognition in education and development circles. The impact of our work and pioneering approach saw John Rendel being named 'Rising CEO Star' within respected UK industry awards - the Charity Times Awards. PEAS also presented a paper at the Institute of Education (IOE), to specifically share our insights on gender responsive pedagogy. The thought-leadership slot gave PEAS the opportunity to promote the projects and work in Uganda and share best practice with other educational experts. The paper was distributed to all delegates of the IOE conference and will also be published in the official IOE journal.

Additionally, PEAS has been active in sharing learnings within the education sector. This has included presenting on pregnancies and drop outs to Forum for African Women in Education (FAWE) and participating in FENU (Forum for Education NGOs in Uganda) working groups on Access and Gender. Due to this increased presence PEAS was invited to join the Gender task force in the MoES in Uganda.

Next year, PEAS will be speaking at the Centre for Strategic and International Studies in Washington DC on non-state action within the education sector in low resource countries, and at Comparative International and Education Society, which will be attended by education practitioners across the world. Here PEAS will speak about the interventions and programmes running in Uganda, and will focus on gender responsive pedagogy and how this helps to ensure girls' are retained in school. These speaking opportunities will help PEAS demonstrate innovation and thought leadership – as well as increasing awareness of our work and also our brand, helping us secure additional support and funding in the future.

Future plans

2015/16 will see PEAS resume its school network expansion, without losing sight of the education quality and organisational strengthening processes that we have put in place. In early 2015, the construction of four new schools in Western Uganda will take place, providing over 1,000 more children with an education previously out of reach. We will also continue expanding the capacity of our existing schools so they are able to reach their full capacity of 1,000 students, while also helping to ensure each school's future is secured.

As well as our desire to eliminate fees, our ability to scale is largely reliant on the PPPs we are able to secure with the national governments in Uganda and Zambia. Next year, PEAS will invest in advocacy capacity to secure not-for-profit PPPs, which provide a high enough per-pupil subsidy to keep fees to our students at a minimum. Success in these areas will not only be an achievement for the upcoming year, but will determine PEAS' ability to prompt systemic change in the countries where we operate. However, in 2015 we will limit our advocacy focus to Uganda and Zambia, only exploring other potential countries if full-cost recovery PPPs in either country look unlikely.

Our work will continue to reach many more girls from disadvantaged communities and successfully bring them into school. We will take the lessons learnt from the implementation of our Literacy, Life Skills and Income Generating Activities programmes and apply them in the year ahead – constantly reassessing our approach to ensure we provide the best possible learning outcomes. Part of this work will involve continued community engagement and collaboration with community stakeholder and technical partners, to ensure our interventions are sensitive, appropriate and effective.

Finally, we will continue to invest in PEAS staff at all levels and countries. Professional development is an area that will become a stronger focus in the coming years. Although heavy investments have been made in the area of Career and Professional Development for teaching staff, PEAS will also ensure that all PEAS staff are supported with the tools and training required to conduct their roles to the highest standards. Much of this will be borne out of our organisational strengthening processes that we have put in place this year, and next year, more work will be done to ensure the correct policies and procedures are in place for the benefit of PEAS staff and the organisation as a whole.

Organisational Strengthening

This year represented a period of developing the central management systems and structures, and policies and processes within PEAS so we are ready to grow strongly and securely. A particular area of focus was responding to an internal audit of PEAS Uganda's Project Management department, which identified some development areas for PEAS Uganda's construction and procurement processes. PEAS embraced and learned from this and put in place robust steps to address the recommendations in order to strengthen our processes and controls.

Specific examples of our organisational strengthening initiatives include a stronger management reporting framework and clearer decision making and reporting structures. We have also done extensive work in documenting our policies and processes in finance, in procurement and in construction.

Construction of four new schools will begin in early 2015, alongside other upgrade and expansion work in PEAS' existing schools - utilising PEAS' enhanced systems. The opening of the four new schools in February 2016 and on-going expansion in other schools allows PEAS to reach and educate more children each year.

EncycloPEASia: codifying our work

One of the critical ambitions of PEAS is to create lasting impact in the countries where we operate. We believe that the SmartAid has potential, not only to widen access and improve the quality of secondary education in sub-Saharan Africa, but also to catalyse systemic change in education systems across the continent and beyond. We want other service providers to replicate the PEAS model, to reach more children in the long-term.

This year, PEAS undertook a significant project compiling all our policies and procedures into one 'handbook', called EncycloPEASia, which outlines exactly how the schools and PEAS operates. Thoroughly documenting the operating model has enabled PEAS to identify and improve on challenges and gaps that might exist, as well as helping to avoid any inconsistencies or inefficiencies in the execution of activities and operations. Once complete next year, EncycloPEASia will also serve as a blue print for other education providers for the purpose of scaling.

SchoolTool: enhancing our data collection and analysis

This year, PEAS piloted its school Information Management System (SchoolTool), which PEAS is developing, with PEAS' partners Absolute Return for Kids (ARK) and software developers SIELibre. SchoolTool, aims to improve the capacity of PEAS schools by collecting and analysing student and teacher attendance data, in addition to performance results, to improve data decision making. The system is now functional in two schools, Pioneer High School and Sarah Ntiro Secondary School. Data is analysed on a weekly basis by the school leadership, supported by PEAS Monitoring and Evaluation and further roll out of SchoolTool is planned for February 2015.

Capacity Building:

This year we have actively sought to strengthen the capacity and expertise of our UK team, in order to provide the necessary strategic guidance to our overseas offices. Specifically PEAS recruited a Director of Country Operations, a new Director of Fundraising and

Communications, in addition to a new Director of Finance and Resources. A Communications Manager was also added to the team to help leverage PEAS' brand and public profile. Furthermore, a full-time Office Administrator was recruited to ensure smooth operations in PEAS UK and between PEAS offices globally.

Additional investment was also made to the team in Uganda. PEAS created a new Partnership Coordinator position, whose responsibility is to lead PEAS' advocacy work with the Ministry of Education and Sports (MoES). The successes and speed with which the negotiations with the government have since progressed have shown that having this explicit role focused on advocacy has worked well. Additionally, PEAS successfully recruited Regional Programme Managers (RPMS) for its regional offices in Uganda (see below).

Further expansion work is planned in 2015 and will be achieved through the construction of additional facilities, including classroom blocks, dormitories, libraries, laboratories and sanitary blocks. This enables each school to move towards, or reach its 1,000 student capacity.

Regionalisation: moving more support closer to the school

Following on from the planning phases last year, in 2014 PEAS launched three new regional offices (East, West, Central), with Regional Programme Managers (RPMs) for each office all in post. To date, PEAS' move towards regionalisation has been very effective, allowing us to provide more support to schools and respond to school needs in a more agile and flexible way. The RPMs offer comprehensive support to school operations, including financial management – which is supplemented by the Finance Officers in the central team. PEAS also has an Education Specialist in every regional office to support the embedding visits and education quality initiatives.

The improved support to schools enabled by regionalisation has worked well, increasing the quality and efficacy of support to the schools. There is now direct contact with teachers and more behaviour changes observed in the classroom. Regionalisation has also meant that the number of school visits has dramatically increased; generating much faster feedback loops from the schools and the beneficiaries to the PEAS teams. In 2015 and 2016 we will continue to consolidate the teams and work further on delivery models and mechanisms. This includes formalising the roles of the central versus regional teams and the purpose of different schools visits.

Partnerships

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. 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. This support will enable PEAS to improve the quality of our schools even further.

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. We meet quarterly with the Minister, Hon. Lt. Jessica Alupo, who also opened the Nangonde ARK-PEAS High School in March 2012, and the Government has expressed a hope of applying learnings from the PEAS network to other secondary schools in Uganda.

Ministry of Education, Government of Zambia

Teacher salaries at the PEAS school in Zambia are paid for by the Government through a special agreement with PEAS. As teacher salaries are one of the biggest expenses for a school, this cost-saving allows PEAS to keep costs to students low. We are working with the Government to develop new models of public support for private schools such as PEAS.

Ark

In the UK, Ark runs a network of high-achieving, non-selective schools for public benefit in some of the country's most disadvantaged areas. We are working with Ark through our Partnership for Public Education to launch up to 10 secondary schools, and to raise education quality across the PEAS network. PEAS' experience with Ark's rigorous focus on quality and measuring results; we will radically improve the life chances of every one of our students.

The Daily Monitor

The Daily Monitor is one of Uganda's most respected national newspapers. PEAS has partnered with The Daily Monitor for the Newspapers in Education (NiE) programme, which sees schools receive 60 newspapers a week for 8 weeks of each term to support teaching and learning across the curriculum. This partnership has provided PEAS students' invaluable learning materials, with the articles serving as platform to promote key messaging relating to girls' education and to promote the development of literacy, numeracy and life skills among students.

The Costa Foundation

The Costa Foundation supports coffee-growing communities around the world. A highly successful and collaborative partnership has developed between PEAS and the Costa Foundation and the Foundation has already funded seven PEAS schools in Uganda since 2011 and supported those schools with expansion construction. A further three are in construction and will be opened at the beginning of 2016. It is a partnership we hope that will continue to provide secondary education to coffee growing communities in Uganda and Zambia.

The COINS Foundation

COINS is a company that works in the construction industry, supplying construction and house-building software. The COINS Foundation aims to fund projects that offer relief to vulnerable and disadvantaged people and communities both in the UK and internationally. We are hugely grateful to the COINS foundation for their support through donations and introductions.

Oliver Wyman

Oliver Wyman is a global leader in management consulting and provides PEAS with ongoing pro-bono consultancy work and advice. Oliver Wyman was instrumental in the development of ongoing strategy.

Financial Overview

Income

PEAS total income for 2014/15 was £4.8m. This represents a substantial increase of 56% from 2013/14. The main cause of this increase was including school level income across PEAS' 26 schools for the first time. School level income amounted to £1.3m, which is 27% of PEAS total income. Each school earned an average of £48,000 from a combination of per-pupil subsidy from government, lunch fees for day students and boarding fees.

PEAS received a number of donations in excess of £10,000 from the following individuals and organisations to whom we are very grateful: DFID, Allen & Overy, ING Bearings, The BEIT Trust, Costa Foundation, ELMA Philanthropies, Fondation Eagle, MasterCard Foundation, The Four Acre Trust, ARK (Absolute Return for Kids), Mastercard Foundation, States of Guernsey, the T&J Meyer Family Foundation, Waterloo Foundation, Vitol Foundation and the Venture Partnership Foundation. We would also like to thank a number of donors who wished to remain anonymous.

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 analysis

PEAS total expenditure was £3.3m, an increase of £1.3m (65%) from 2014. As per the income figures this was due to the inclusion of school level costs : teacher salaries, school running costs such as examination fees, laboratory equipment & text books, plus school fixed costs such as security and utilities.

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 – the total of which is £1.7m.

PEAS fundraising costs increased to £229k, as PEAS invests in fundraising to generate future income and growth. Fundraising costs represent a low 7% of total expenditure.

Surplus / deficit

PEAS spent £1.4m on school construction across PEAS' school network. This led to 3,560 additional spaces in PEAS' schools – taking the total capacity to 13,800. In addition these funds were used to improve facilities for laboratories, libraries, dormitories and sanitary blocks to allow the schools to continue to grow.

The expenditure on school construction is accounted for through PEAS' balance sheet. Therefore it appears on the SOFA that PEAS is generating large surpluses. The majority of this surplus reflects the value of the school asset additions.

School level finances: SmartAid in action

Including the school level financial information for the first time in the statutory accounts is a considerable achievement. It is a complicated process that involves collating thousands of transactions across the 26 schools into school level financial statements and then consolidating and auditing these statements.

This process demonstrates the success of PEAS' SmartAid model. During 2014/15, 18 of the 24 Ugandan schools were able to cover their operating costs through school level income. It provides financial resilience as school level incomes are recurrent year upon year, unlike a number of fundraising based income streams. It also demonstrates PEAS' potential to scale.

Fund and reserve position

PEAS has total funds of £4.7m (2014 £3.4m). Of the £4.7m, £3.9m is physical school infrastructure in Uganda and Zambia (so this could be more accurately described as PEAS' asset base, and is distinct from usable cash funds). Of the remaining £767k of funds, £108k are unrestricted funds (2014 - £294k) and £659k are restricted funds (2014 - £49k). Restricted funds are higher than in previous years as PEAS received several large grants towards constructing four new schools during 2014/15, where the construction work did not commence until the 2015/16 financial year.

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 the physical assets: the school buildings.

PEAS' investment policy ensures that funds generated during a financial period which are not immediately needed for PEAS' charitable activities are placed in a savings account in the UK until required.

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 £108k (2014 £293k). This represents a risk to PEAS.

The board and senior management team are managing this risk by monitoring the cash flow and fund position carefully and by setting prudent budgets which will strengthen the financial

position. PEAS has set a range of safe financial parameters, which if breached will trigger a contingency plan to reduce costs and therefore protect the reserves position.

Governance

PEAS is a registered UK charity (no. 1126550) and a company limited by guarantee. (no. 6552715)

The Board of Trustees

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

David Townsend	<i>Chair of Board of Trustees and member of the Finance Committee</i>
Celia Petty	Trustee
Rhys Pullen	Trustee
Frederic Nze	Trustee
Lucy Heller	Trustee
Catherine Brien	Trustee (effective from May 2014), <i>Chair of Board of Trustees (appointed in December 2014)</i>

Recruitment, induction and training of trustees

PEAS currently has six members within its board of trustees and is looking to expand this number to eight by the end 2016. 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.

Board meetings

Board meetings are held at the PEAS UK office every quarter and usually take place in the months of March, June, September and December.

In addition, monthly conference calls take place between the CEO and Trustees on the months where there are no trustee meetings. The calls provide the headlines of key progress and developments during the month from the Senior Management Team (SMT) to the board.

Finance, Audit and Risk Committee (FARC)

The Finance, Audit and Risk Committee was established as a sub-committee of the PEAS' board to enable PEAS' financial management and policies to be reviewed in greater detail. The committee on a quarterly basis, usually shortly before board meetings, and hold 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
- David Townsend
- John Rendel
- Mike Saxton (Acting Secretary to the Committee)

Statement of public benefit

The trustees, having regard to the Public benefit guidance published by the Charity Commission in accordance with section 17 of the Charities Act 2011, consider that that purpose and activities of the charity satisfy the requirements of the public benefit test set out in section 4 of the same act.

Statement of risk review

The trustees are confident that the charity has assessed organisational and regulatory risks and that there are mitigating strategies in place which are regularly monitored.

Trustees' responsibilities in relation to the financial statements

The trustees (who are also directors of PEAS ("the charitable company") for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that 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.

Auditors

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.

Signed on behalf of the Board



Catherine Brien
Trustee

16 November 2015

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 2015 which comprise the Consolidated Statement of Financial Activities, the Group and Parent Company Balance Sheets, the Accounting Policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 company'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 company's trustees 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 set out on page 15, the trustees 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 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.

Basis for qualified opinion on financial statements

The consolidated corresponding figures for the year ended 31 January 2014 do not include the financial statements of individual schools in the PEAS network in Uganda and Zambia, other than the inclusion of schools net assets of £36,325 as a debtor in the balance sheet and net income of £36,325 included as income in the profit and loss account. Under United Kingdom Generally Accepted Accounting Practice the results of the schools should have been fully consolidated because they are under the control of PEAS Uganda and PEAS Zambia, which are in turn under the control of PEAS. It has not been possible to reliably ascertain the income and expenditure of the schools for the year ended 31 January 2014. The schools assets, liabilities, income and expenditure, including opening balances, have been included in the consolidated financial statements of PEAS for the year to 31 January 2015.

Qualified opinion on financial statements

In our opinion, except for the effects on the corresponding figures for the year ended 31 January 2014 of the matter described in the Basis for Qualified Opinion paragraph, the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 January 2015 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 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

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



27/11/2015

Promoting Equality in African Schools (PEAS)

Consolidated Statement of Financial Activities (incorporating the Income and Expenditure Account)

for the year to 31 January 2015

	2015 <i>Unrestricted</i>	2015 <i>Restricted</i>	2015 Total	<i>Restated</i> 2014 Total
Notes	£	£	£	£
<i>Incoming Resources</i>				
Incoming Resources from generated funds				
Voluntary income	1,477,521	1,761,221	3,238,742	3,007,911
Investment income	88	2,565	2,653	3,912
Incoming Resources from charitable funds				
Earned income from charitable activities	1,257,623	-	1,257,623	-
Other incoming resources	54,944	215,285	270,229	42,495
<i>Total Incoming Resources</i>	2,790,176	1,979,071	4,769,247	3,054,318
				1,714,929
<i>Resources Expended</i>				
Cost of generating funds:	229,097	-	229,097	104,868
Charitable activities : school operations	1,310,865	-	1,310,865	-
Charitable activities : school management, support & construction	1,059,487	650,110	1,709,597	1,909,484
Governance costs	74,380	-	74,380	42,942
<i>Total resources expended</i>	2,673,829	650,110	3,323,939	2,057,294
<i>Net movement in funds before exchange differences and transfers</i>	116,347	1,328,961	1,445,308	997,024
Exchange differences	(87,665)	(63,672)	(151,337)	57,433
Transfers between funds	(214,243)	214,243	-	-
<i>Net movement in funds</i>	(185,561)	1,479,532	1,293,971	1,054,457
<i>Total funds brought forward</i>	293,579	3,115,483	3,409,062	2,354,605
<i>Total funds carried forward</i>	108,018	4,595,015	4,703,033	3,409,062

The restricted funds surplus of £1,479k does not represent a 'cash' surplus. £1,334k of this surplus is due to school construction, so the corresponding expenditure is shown on the Balance Sheet, and within additions in the Fixed Asset Note.

This is the first year that PEAS has incorporated the school network level income and expenditure. Therefore there are no comparative figures for school income (shown on the income from charitable activities line) or expenditure (shown on the school operations line). The 2014 group fund position has been restated to incorporate £36,325 of funds held in the school accounts at 31 January 2014.

The £214,243 movement between restricted and unrestricted funds represents the amount of match funding required as part of a restricted grant, where the match funding was covered from unrestricted funds.

Promoting Equality in African Schools (PEAS)

Consolidated Balance Sheet as at 31 January 2015

	Notes	Group 2015 £	Restated Group 2014 £	Charity 2015 £	Charity 2014 £
Fixed assets					
Tangible assets	4, 5	3,989,917	2,879,668	2,504	2,558
Intangible assets	6	10,876	12,065	-	-
		<u>4,000,793</u>	<u>2,891,733</u>	<u>2,504</u>	<u>2,558</u>
Current assets					
Debtors	7	446,078	152,560	205,530	3,542
Cash at bank and in hand		605,252	562,461	565,149	334,970
		<u>1,051,330</u>	<u>715,021</u>	<u>770,679</u>	<u>338,512</u>
Creditors: amounts falling due within one year	8	<u>(344,289)</u>	<u>(197,692)</u>	<u>(45,922)</u>	<u>(34,459)</u>
Net current assets		<u>707,041</u>	<u>517,329</u>	<u>724,757</u>	<u>304,053</u>
Creditors: amounts falling due after one year	9	<u>(4,801)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net assets		<u>4,703,033</u>	<u>3,409,062</u>	<u>727,261</u>	<u>306,611</u>
Funds					
Unrestricted funds		108,018	293,579	67,904	257,254
Restricted funds		659,357	49,357	659,357	49,357
School buildings fund		3,935,658	3,066,126	-	-
Total funds	9	<u>4,703,033</u>	<u>3,409,062</u>	<u>727,261</u>	<u>306,611</u>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime in Part 15 of the Companies Act 2006.

The 2014 group position has been restated to incorporate £36,325 of funds held by schools, as the school accounts are included in the financial statements for the first time during 2015.

Signed on behalf of the Board



Catherine Brien
Trustee

26 November

2015

Promoting Equality in African Schools (PEAS)

Notes to the accounts for the year to 31 January 2015

1 Principal accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below.

(a) Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards including the Statement of Recommended Practice: Accounting and Reporting by Charities issued in March 2005, and the Financial Reporting Standard for Smaller Entities (effective April 2008).

(b) 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.

(c) Fund accounting

- (i) Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.
- (ii) Restricted funds are subject to specific conditions imposed by the donor as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

(d) Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. 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.

(e) Resources expended

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.

(f) 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	4 years
Motor vehicles	4 years
Computer equipment (Uganda)	3 years
Computer equipment (UK)	4 years
Machinery	5 years

(g) Going concern

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 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.

(g) Foreign currency transactions

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction. Exchange differences arising on transactions in the year are taken to the profit and loss account. Exchange differences arising on consolidation are taken to reserves. The net investment translation method is used when translating the accounts of the partner organisation.

Promoting Equality in African Schools (PEAS)

Notes to the accounts for the year to 31 January 2015

2 Resources expended

	Unrestricted funds £	Restricted funds £	2015 Total £	2014 Total £
Cost of generating funds:				
Direct costs	190,221	-	190,221	13,840
Support costs	38,876	-	38,876	91,028
	<u>229,097</u>	<u>-</u>	<u>229,097</u>	<u>104,868</u>
Charitable activities				
School running costs (operations)	1,310,865	-	1,310,865	-
School network management, support and construction	451,080	650,110	1,101,190	1,216,474
Project management and oversight	499,555	-	499,555	399,237
Support costs	108,852	-	108,852	293,773
	<u>2,370,352</u>	<u>650,110</u>	<u>3,020,462</u>	<u>1,909,484</u>
Governance				
Professional fees	52,605	-	52,605	6,479
Audit fee	14,000	-	14,000	7,500
Support costs	7,775	-	7,775	28,963
	<u>74,380</u>	<u>-</u>	<u>74,380</u>	<u>42,942</u>
Total expenditure	<u>2,673,829</u>	<u>650,110</u>	<u>3,323,939</u>	<u>2,057,294</u>

Support costs are apportioned on the basis of PEAS UK team's staff time. Using this basis 70% of support costs are allocated to charitable activities, 25% to fundraising and 5% to governance.

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 £34,944 representing the estimated value of the rent free office space the charity received during the year, and an amount of £20,000 representing the estimated value of the pro bono legal support provided to the charity by Hogan Lovells International LLP.

3 Exchange differences

	2015	2014
Total exchange (loss)/gain	(151,337)	57,433

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 and converted to GBP as part of the consolidation process. The combined value of this estate is approximately £4m at the balance sheet date, and this large value means that a relatively small shift in the UGX:GBP or ZMK : 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.

Promoting Equality in African Schools (PEAS)

Notes to the accounts for the year to 31 January 2015

4 Tangible fixed assets - Group

	Buildings	Freehold land	Work in progress	Motor vehicles & cycles	Computers & office equipment	Total
Cost						
At 1 February 2014	2,397,695	112,375	472,513	40,381	36,207	3,059,171
Additions	1,025,328	115,178	158,368	23,549	28,487	1,350,910
Exchange differences	(95,390)	(7,358)	(20,339)	(2,064)	(2,087)	(127,238)
At 31 January 2015	3,327,633	220,195	610,542	61,866	62,607	4,282,843
Depreciation						
At 1 February 2014	137,563	-	-	21,045	20,896	179,504
Charge for year	85,149	-	-	13,294	14,979	113,422
At 31 January 2015	222,712	-	-	34,339	35,875	292,926
Net book value						
At 31 January 2015	3,104,921	220,195	610,542	27,527	26,732	3,989,917
At 1 February 2014	2,260,132	112,375	472,513	19,337	15,311	2,879,667

Promoting Equality in African Schools (PEAS)

Notes to the accounts for the year to 31 January 2015

5 Tangible fixed assets - Charity

	Computers & office equipment
Cost	
At 1 February 2014	4,644
Additions	1,638
At 31 January 2015	<u>6,282</u>
Depreciation	
At 1 February 2014	2,086
Charge for year	1,692
At 31 January 2015	<u>3,778</u>
Net book value	
At 31 January 2015	<u>2,504</u>
At 1 February 2014	<u>2,558</u>

6 Intangible fixed assets - Group

	Prepaid Operating lease rentals
Cost	
At 1 February 2014	15,638
At 31 January 2015	<u>15,638</u>
Depreciation	
At 1 February 2014	3,573
Charge for year	525
Exchange differences	664
At 31 January 2015	<u>4,762</u>
Net book value	
At 31 January 2015	<u>10,876</u>
At 1 February 2014	<u>12,065</u>

Promoting Equality in African Schools (PEAS)

Notes to the accounts for the year to 31 January 2015

7 Debtors: amounts falling due within one year

	Group	Restated Group	Charity	Charity
	2015	2014	2014	2014
	£	£	£	£
Donations receivable	200,119	-	200,119	-
Gift Aid receivable	5,411	3,542	5,411	3,542
Prepayments	155,144	111,789	-	-
School debtors	79,554	-	-	-
Other debtors	5,850	37,229	-	-
Total	446,078	152,560	205,530	3,542

8 Creditors: amounts falling due within one year

	Group	Group	Charity	Charity
	2015	2014	2015	2014
	£	£	£	£
Trade creditors	82,917	127,731	-	-
Taxation and social security	42,165	34,340	15,196	9,359
Creditors of PEAS' schools	174,842	-	-	-
Accruals	37,073	25,100	22,905	25,100
Sundry creditors and provisions	7,292	10,521	7,821	-
Total	344,289	197,692	45,922	34,459

9 Creditors: amounts falling due after one year

	Group	Group	Charity	Charity
	2015	2014	2015	2014
	£	£	£	£
Staff creditors	4,801	-	-	-
Total	4,801	-	-	-

Promoting Equality in African Schools (PEAS)

Notes to the accounts for the year to 31 January 2015

10 Movements in funds

	<i>Restated Balance at 31-Jan-14</i>	<i>Incoming</i>	<i>Outgoing</i>	<i>Transfers between funds</i>	<i>Exchange differences</i>	<i>Balance at 31-Jan-15</i>
	£	£	£	£	£	£
Restricted Funds						
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
ZAMBIA - Construction	-	-	-	-	-	-
ZAMBIA - Programmes	-	-	-	-	-	-
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
Unrestricted funds	293,579	2,790,176	(2,673,829)	(214,243)	(87,665)	108,018
Total funds	<u>3,409,062</u>	<u>4,769,247</u>	<u>(3,323,939)</u>	<u>-</u>	<u>(151,337)</u>	<u>4,703,033</u>

Fund	Purpose
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
ZAMBIA - Construction	Funds to cover the design and building of our schools in Zambia
ZAMBIA - Programmes	Funds to cover running our schools and educational programmes in Zambia
KENYA	Funds received to support our Kenyan partner the Got Matar Community Development Group in running a Secondary School in the Got Matar district.

Promoting Equality in African Schools (PEAS)

Notes to the accounts for the year to 31 January 2015

11 Staff costs and numbers

	2015 £	2014 £
Salaries and wages	791,749	494,595
Pension	7,793	6,600
Social security costs	77,706	60,534
	877,248	561,729

The average number of staff employed during the period was 745 37
Note the 2015 figure includes 692 school based staff

The number of staff whose emoluments were in excess of £60,000 during the year were as follows:
 £60,001 - £70,000 1 1

12 Trustees' remuneration and expenses

The charity did not pay to its trustees any remuneration during the year (2014, £nil), and no trustees incurred any expenses (2014, nil).

13 Related parties

The charity has taken advantage of the exemption in FRS8 "Related Party Disclosures" from disclosing transactions with other members of the group.

14 Analysis of net assets between funds

	<i>Unrestricted funds</i> £	<i>Restricted funds</i> £	<i>Total funds</i> £
Fixed assets	2,504	3,998,289	4,000,793
Current assets	151,409	899,921	1,051,330
Current liabilities	(41,094)	(303,195)	(344,289)
Non current liabilities	(4,801)	-	(4,801)
Net assets at 31 January 2014	108,018	4,595,015	4,703,033

15 Financial performance of the charity

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

The summary financial performance of the charity alone is:

	2015 £	2014 £
Incoming resources	3,269,679	2,875,592
Cost of generating funds:	(229,097)	(104,868)
Charitable activities	(2,545,552)	(2,768,726)
Governance costs	(74,380)	(42,942)
Net incoming resources	420,650	(40,944)
Total funds brought forward	306,611	347,555
Total funds carried forward	727,261	306,611
Represented by		
Unrestricted funds	67,904	257,254
Restricted funds	659,357	49,357
	727,261	306,611

Promoting Equality in African Schools (PEAS)

Notes to the accounts for the year to 31 January 2015

16 Financial performance of PEAS Uganda

The Consolidated Statement of Financial Activities includes the results of PEAS Uganda Limited.

The summary financial performance of the company alone is;

	2015 £	Restated 2014 £
Income		
Grant income	1,838,406	2,166,360
School income	1,222,544	-
Donated & other income	30,404	40,520
	<u>3,091,354</u>	<u>2,206,880</u>
Expenditure		
Construction and project expenses	(886,164)	(1,362,832)
Supplies and other costs	(1,275,787)	(4,656)
Consultancies and training	(115,076)	(60,438)
Foreign exchange movement	(94,463)	-
	<u>719,865</u>	<u>778,954</u>
Net surplus	719,865	778,954
Reserves brought forward	2,408,650	1,629,696
Reserves carried forward	<u>3,128,514</u>	<u>2,408,650</u>
The assets and liabilities of the subsidiary were:		
Fixed assets – including school land and buildings	3,159,824	2,204,765
Current assets	263,621	365,068
Current liabilities	(294,931)	(161,183)
Net assets	<u>3,128,514</u>	<u>2,408,650</u>

17 Financial performance of PEAS Zambia

The Consolidated Statement of Financial Activities includes the results of PEAS Zambia

The summary financial performance of the company alone is;

	2015 £	2014 £
Income		
Grant income	98,221	235,705
School income	35,078	-
Other income	211,486	106,121
	<u>344,785</u>	<u>341,826</u>
Expenditure		
Operating expenses : supervision and construction	(99,950)	(73,068)
Operating expenses : school	(35,078)	-
Foreign exchange movement	(8,639)	-
	<u>201,118</u>	<u>268,758</u>
Net profit	201,118	268,758
Reserves brought forward	646,112	377,354
Reserves carried forward	<u>847,230</u>	<u>646,112</u>
The assets and liabilities of the subsidiary were:		
Fixed assets – including school land and buildings	838,464	636,720
Current assets	17,030	11,442
Current liabilities	(8,264)	(2,050)
Net assets	<u>847,230</u>	<u>646,112</u>

18 Taxation

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.