

Izod Bassett *Chartered Accountants*

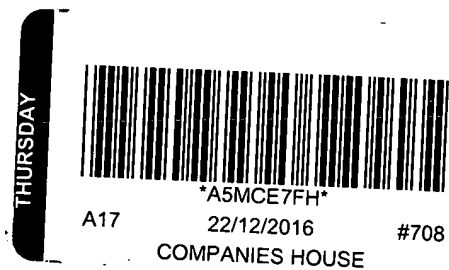
105 High Street, Needham Market, Suffolk IP6 8DQ

GROW PEACE

(a company limited by guarantee)

Report and Financial Statements

for the year ended 31 March 2016



Charity Number: 1091687

Company registration number: 3902612

GROW PEACE
(A company limited by guarantee)

Annual report and financial statements for the year ended 31 March 2016

Contents

Page:

1	Legal and administrative information
2	Annual Report of the Trustees
4	Independent examiner's report
5	Statement of Financial Activities
6	Balance sheet
7	Notes forming part of the financial statements

GROW PEACE
(A company limited by guarantee)

Legal and Administrative information

Trustees

J Bolnick
Z G Mazvimavi (appointed 9 June 2015)
AM Smyth
PJ Smyth
DR Warren

Secretary and registered office

DR Warren
27 Lower Brook Street
Ipswich
Suffolk
IP4 1AQ

Registered charity number

1091687

Company number

3902612

Independent Examiners

Izod Bassett
105 High Street
Needham Market
IP6 8DQ

Bankers

Barclays Bank plc
1 Princes Street
Ipswich
Suffolk
IP1 1PB

Solicitors

Bates, Wells & Braithwaite
29 Lower Brook Street
Ipswich
Suffolk
IP4 1AQ

GROW PEACE
(A company limited by guarantee)

Report of the trustees for the year ended 31 March 2016

Structure, Governance and Management

Governing document

The charity is constituted as a company limited by guarantee, and was incorporated under the Companies Act 2006. It is governed by the terms of the Memorandum and Articles adopted on 17 March 2003. It has no share capital and in the event of liquidation the liability of the members is limited to £1 each. The company is registered as a charity by the Charity Commission, under registration number 1091687.

Appointment, induction and training of trustees

The overall governance and financial responsibility is vested in the trustees, as set out on page 1. The trustees are also directors of the charity for the purposes of company law. Further trustees may be appointed at any time, at the discretion of the trustees.

The majority of the current trustees have been involved with the organisation since it was established and are familiar with the practical work of the charity. New trustees are invited to a meeting with the Chairman and, at which details of the charity and the context within which it operates are provided, including:

- The obligations of the trustees;
- The operational framework of the charity including the Memorandum and Articles of Association;
- Resourcing and the current financial position including the latest published and management accounts;
- Future plans and objectives.

Risk Management

The trustees have identified the major risks facing the charity and have assessed their potential impact. Appropriate systems have been established to monitor and mitigate these risks.

Organisational structure

The trustee board comprises of a minimum of 3 members who meet annually and are responsible for the strategic direction and policy of the charity. At present the board has 6 members from a variety of backgrounds relevant to the work of the charity. The trustees have sole discretion over the award of grants from the charity's funds.

The charity's grant programme and fund-raising operation is managed and administered in South Africa.

Objectives and activities

The company's principal activity and charitable objectives are:

- to advance the interests of poor rural children; and
- to relieve poverty, distress, suffering, and illness in any part of the world and in particular among women who are homeless or landless; and
- advance education concerning the development of effective pooling of resources, the improvement of living conditions and self-reliance and to encourage and assist in the exchange of ideas and information.

In shaping our objectives for the year and planning our activities, the trustees considered the Charity Commission's guidance on public benefit.

GROW PEACE
(A company limited by guarantee)

Report of the trustees for the year ended 31 March 2016 (Continued)

Achievements and performance

The charity started operations in 2003/04, and subsequently has made a significant investment in a direct fund-raising programme in order to raise the funds needed to meet the requirements of projects planned for future years.

The charity's main source of income is public donations which have funded grants to social welfare and development projects in South Africa during the year totalling £72,639. In particular Grow Peace supports the Goedgedacht Trust, a South African charity which runs a number of self-sustainable community development programmes, including those aimed at the relief of poverty amongst children and young people in rural areas.

Financial Review

The charity's income continues to reflect the impact on fundraising of the current economic climate. The investment in the direct fund-raising programme has to date been funded by loans or grants from various organisations including King Protea Trading Proprietary Limited and Shackdwellers International. These organisations intend to continue to support the charities cause and have provided the funding on flexible repayment terms conditional upon sufficient funds being raised.

The deficit on unrestricted funds for the year of £9,867 has reduced the charity's reserves, which at 31 March 2016 are £28,650. The trustees aim is to build reserves sufficient to meet the charity's annual running costs. The deficit on restricted funds of £4,581 reflects expenditure from funds received in previous years.

Plans for future periods

Grow Peace will continue to support social welfare and development projects which meet its grant criteria and to explore ways of innovating and improving the effectiveness of its fundraising.

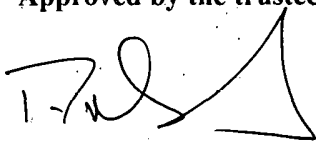
Responsibilities of the trustees

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees on 20 December 2016 and signed on their behalf by



A M Smyth
Trustee

GROW PEACE
(A company limited by guarantee)

Independent Examiner's Report to the trustees of Grow Peace

I report on the accounts of Grow Peace for the year ended 31 March 2016, which are set out on pages 5 to 9.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charity's Act 2011 (the 2011 Act) and that an independent examination is needed.

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

- examine the accounts under section 145 of the 2011 Act.
- to follow the procedures laid down in the general Direction given by the Charity Commission under section 145(5) (b) of the 2011 Act.
- to state whether particular matters have come to my attention.


Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with our examination, no matter has come to our attention:

- 1) which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting requirements of the section 396 of the Companies Act 2006 and with the methods and principles of Statement of Recommended Practice: Accounting and Reporting by Charitieshave not been met; or
- 2) to which in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



C L Bassett FCA, DChA
IZOD BASSETT
Chartered Accountants
105 High Street, Needham Market, Suffolk IP6 8DQ

20 December 2016

GROW PEACE
(A company limited by guarantee)

**Statement of financial activities (incorporating Income and Expenditure Account)
for the year ended 31 March 2016**

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £	Total Funds 2015 £ (note 2)
Income from:					
Donations and gifts		63,567	64,978	128,545	165,639
Investment income – interest receivable		1,096	-	1,096	2,008
Total income		<u>64,663</u>	<u>64,978</u>	<u>129,641</u>	<u>167,647</u>
Expenditure on:					
Raising funds	3	33,516	654	34,170	31,944
Charitable activities	4	34,853	67,790	102,643	132,992
		<u>68,369</u>	<u>68,144</u>	<u>136,813</u>	<u>164,936</u>
Net income resources for the year		(3,706)	(3,466)	(7,172)	2,711
Other recognised gains and losses					
Currency translation differences on foreign currency assets and transactions in year		(6,161)	(1,115)	(7,276)	(2,222)
Net movement in funds		(9,867)	(4,581)	(14,448)	489
Total funds brought forward		<u>38,517</u>	<u>7,532</u>	<u>46,049</u>	<u>45,560</u>
Total funds carried forward		<u>28,650</u>	<u>2,951</u>	<u>31,601</u>	<u>46,049</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derives from continuing activities. An analysis by fund of the comparatives figures for 2015 is shown in note 2.

GROW PEACE
(A company limited by guarantee)

Balance sheet at 31 March 2016

	Note	2016 £	2015 £
Current assets			
Debtors	6	1,364	1,104
Cash at bank and in hand		30,484	47,607
		<u>31,848</u>	<u>48,711</u>
Creditors: amounts falling due within one year	7	(247)	(2,662)
Net assets / (liabilities)		<u>31,601</u>	<u>46,049</u>
Funds			
Unrestricted		28,650	38,517
Restricted	8	2,951	7,532
Total funds		<u>31,601</u>	<u>46,049</u>

In approving these financial statements as directors of the company we hereby confirm:

(a) that for the year stated above the company was entitled to the exemption conferred by Section 477 of the Companies Act 2006;

(b) that no notice has been deposited at the registered office of the company pursuant to Section 476 requesting that an audit be conducted for the year ended 31 March 2016 and


(c) that we acknowledge our responsibilities for:

(1) ensuring that the company keeps accounting records which comply with Section 386, and

(2) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the year then ended in accordance with the requirements of Section 394 and 395 which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company.

These financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

These financial statements were approved by the trustees on 20 December 2016 and signed on their behalf by



A M Smyth
Trustee

The notes on pages 7 to 9 form part of these financial statements.

GROW PEACE
(A company limited by guarantee)

Notes forming part of the financial statements for the year ended 31 March 2016

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the charity's financial statements:

Basis of Accounting

These 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 for Smaller Entities published on 16 July 2014, the Financial Reporting Standard for Smaller Entities (effective January 2015) and the Companies Act 2006. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

Basis of consolidation

The financial statements consolidate the accounts of Grow Peace's operations in the UK and South Africa. Accounts dealing with the funds raised, held and expended in South Africa are made up to 31 March 2016.

Foreign currencies

The assets and liabilities and income and expenditure arising in South Africa are accounted for as a foreign branch in accordance with the provisions of SSAP 20 and are translated at the closing exchange rate. Exchange differences arising on the retranslation of the opening net assets for consolidation purposes are included in the Statement of Financial Activities as Other recognised gains and losses.

The exchange rates used in these financial statements are as follows:

31 March 2015: £1	=	ZAR 18.02
31 March 2016: £1	=	ZAR 21.16

Recognition of incoming resources

Donations and other income receivable are recognised in the period in which the charity has reasonable assurance of receipt. In most circumstances this will coincide with the actual receipt of the funds. Donations and gifts from UK donors are shown inclusive of tax rebates received under the Gift Aid scheme.

Legacies and donations received other than in cash are valued at the amount actually realised, or otherwise at estimated realisable value. Where donors specify a particular use for funds these are shown as restricted funds.

Recognition of grants payable and commitments

Grants are recognised as payable at the point at which the charity has undertaken an obligation to make payment out of existing funds. Where commitments are made which are to be funded from future income, recognition is deferred to match the period in which such income arises.

GROW PEACE
(A company limited by guarantee)

Notes forming part of the financial statements for the year ended 31 March 2016 (*Continued*)

1 Accounting policies (*Continued*)

Support costs

Support costs which specifically relate to direct charitable expenditure or fundraising activities are included under those headings.

Funds and Reserves

General unrestricted funds comprise accumulated surplus and deficits on general funds. They are available for use at the discretion of the Trustees in furtherance of the company's general charitable objectives.

Restricted funds are created when grants or donations are made for a particular purpose or project, the use of which is restricted to that purpose. Annual surpluses relating to that project or purpose are added to the relevant restricted fund and carried forward for future use.

Taxation

The charitable activities of Grow Peace are exempt from corporation taxes in the UK and South Africa. The charity has no trading activities which would be subject to corporation tax.

2 Statement of financial activities for the year ended 31 March 2015

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Income from:			
Donations and gifts	81,265	84,374	165,639
Investment income – interest receivable	2,008	-	2,008
Total income	83,273	84,374	167,647
Expenditure on:			
Raising funds	31,944	-	31,944
Charitable activities	46,871	86,121	132,992
	78,815	86,121	164,936
Net income resources for the year	4,458	(1,747)	2,711
Other recognised gains and losses			
Currency translation differences on foreign currency assets and transactions in year	(1,972)	(250)	(2,222)
Net movement in funds	2,486	(1,997)	489
Total funds brought forward	36,031	9,529	45,560
Total funds carried forward	38,517	7,532	46,049

GROW PEACE
(A company limited by guarantee)

Notes forming part of the financial statements for the year ended 31 March 2016 (*Continued*)

3 Raising funds

	2016 £	2015 £
Direct mailing costs	20,970	15,874
Mail handling charges and fees	10,845	15,388
Printing and stationary	1,701	219
Fundraising costs	654	-
Financing costs	-	463
	<u>34,170</u>	<u>31,944</u>

4 Charitable activities

	2016 £	2015 £
Grants payable:		
Goedgedacht Trust projects	62,182	82,301
Other social welfare projects	10,457	22,983
	<u>72,639</u>	<u>105,284</u>
Support costs (note 5)	<u>30,004</u>	<u>25,614</u>
	<u>102,643</u>	<u>132,992</u>

5 Support costs

	2016 £	2015 £
<i>Staff costs</i>		
Wages and salaries	21,507	17,583
<i>Office expenses</i>		
Computer costs, rent, telephone, postage, stationery and bank charges	6,392	14,847
Independent examination and accountancy fees	2,105	1,950
	<u>30,004</u>	<u>32,430</u>

The average number of employees, calculated on a full-time equivalent basis, was 2 (2015:2).

GROW PEACE
(A company limited by guarantee)

Notes forming part of the financial statements for the year ended 31 March 2016 (*Continued*)

6 Debtors

	2016 £	2015 £
Gift aid tax recoverable	925	971
Other debtors	329	-
Accrued income	110	133
	<u>1,364</u>	<u>1,104</u>

7 Creditors: amounts falling due within one year

	2016 £	2015 £
Other creditors	-	885
Accruals	247	1,777
	<u>247</u>	<u>2,662</u>

8 Restricted funds

	Balance at 1 April 2015 £	Income £	Expenditure £	Exchange gains £	Balance at 31 March 2016 £
Goedgedacht Trust	3,826	60,434	55,969	(567)	7,724
Other social welfare projects	3,706	4,544	6,261	(548)	1,441
	<u>7,532</u>	<u>64,978</u>	<u>62,230</u>	<u>(1,115)</u>	<u>9,165</u>

Fund purposes:

The Goedgedacht Trust fund relates to donations received for various social welfare and development projects carried out by this South African charity.

9 Trustees remuneration and expenses

No member of the Board of Trustees has received any remuneration or reimbursement of expenses from the charity during the year either directly or indirectly.