

CHINESE ARTS CENTRE LIMITED  
A COMPANY LIMITED BY GUARANTEE  
TRUSTEES' REPORT AND ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2001



CHINESE ARTS CENTRE LIMITED  
A COMPANY LIMITED BY GUARANTEE

INFORMATION

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Directors and Trustees      Yvette S Cox  
   Jacqui Fendall  
   Jasmine SAV Hendry

Chief Executive Officer      Sarah Champion

Company Secretary          Sarah Champion

Charity Number              518992

Company number              2137427

Principal address            39-43 Edge Street  
   Manchester  
   M4 1HW

Registered office            39-43 Edge Street  
   Manchester  
   M4 1HW

Auditors                      Bulcock & Co  
   10 The Bull Ring  
   Northwich  
   Cheshire  
   CW9 5BS

Bankers                      Royal Bank of Scotland  
   38 Mosely Street  
   Manchester  
   M60 2BW

CHINESE ARTS CENTRE LIMITED  
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**CHINESE ARTS CENTRE LIMITED**  
**A COMPANY LIMITED BY GUARANTEE**

**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2001**

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The trustees present their report and accounts for the year ended 31<sup>st</sup> March 2001 (and comparative figures for the year ended 31<sup>st</sup> March 2000).

**Objects of the charity**

The charity is a company limited by guarantee and acquired registered charitable status on 24 June 1987. There are three guarantors at the year end.

On 13 September 2000 the company passed a resolution to change the company's name from Chinese View Arts Association Limited to Chinese Arts Centre Limited.

The charity's objects are to promote and enhance Chinese Arts and culture within the United Kingdom and to develop the positive identity of the people of Chinese descent.

The Articles of Associations allow the trustees to make and hold investments using the general funds of the charity, but no such investments are presently held.

**Review of activities**

The Chinese Arts Centre has four main aims which shape its policy decisions:

1. To promote a wide variety of artists of Chinese descent and their work in arts and cultural events
2. To facilitate the wider community both to appreciate Chinese arts and culture and to recognise and develop their own creative talents.
3. To promote Chinese arts and culture through education and training.
4. To work with successive generations of British Chinese people to re-define and shape Chinese culture in Britain, drawing on Chinese cultural heritage.

**Trustees**

The trustees, who are also the directors for the purpose of company law, who served during the year are:

Yvette S Cox

Jacqui Fendall

Jasmine SAV Hendry

None of the trustees has any beneficial interest in the company. All of the trustees are member of the company and guarantee to contribute £1 in the event of a winding up.

In addition to the above trustees, the charity receives assistance from Carol Kwong, Alan Seatow and Eve Hadfield acting as committee members and regularly attending board meetings to provide ad hoc help and advice.

The appointment of trustees is governed by the Articles of Association.

The day to day administration of the charity's affairs and property is entrusted to Sarah Champion (Chief Executive Officer) and Cloudy Tan (Projects Manager).

The trustees meet at bi-monthly intervals and the meetings are well attended and quorate.

### Review of financial position

2000/2001 was financially successful for the Chinese Arts Centre seeing an overall growth in our income of 20%. This increase was made up from a range of sources including increased revenue and project funding from North West Arts Board and grants from the Arts Council of England for our touring exhibitions. A large portion of the increase came from a three year revenue grant from the Baring Foundation. We are particularly proud of this grant as Baring approached us following a recommendation to them about the quality of our work. The grant will pay for an administrator for three years and on costs. Paying for core staff has always been a problem for us as grants normally only cover project costs. The grant from Baring will enable us to be much more efficient allowing us to provide better services to artists and the general public.

2000/2001 saw the completion of the first full year of our visual arts commissioning programme. The scheme was established to try and develop more professional skills within the Chinese visual arts community and to provide a visible platform to promote their work to the mainstream. The commissioned artists are assisted through every stage of the commission, from drawing up and presenting initial plans, to finding materials, to installing the final exhibition. Our evaluation of the first four commissions has shown it to be an incredible success. Every artist had gained subsequent commissions, one had secured a full time job, another a two year residency. It is our intention to run this scheme for an initial three years and the likely impact on the Chinese arts sector, if these first four can be seen as an indicator, will be considerable.

2000/2001 was our first full year of acting as an agency rather than trying to be a promoter. We made this decision based on our limited resource, both staff and financial. It seemed more cost effective to act as a supplier and advisor to the arts industry rather than putting all our energy into trying to promote a few shows a year. This year we worked with the Trafford Centre, Bradford City Council, Durham City Council, Warrington Borough Council and Manchester City Council to programme a whole series of events over Chinese New Year. These collaborations led to a huge number of Chinese artists being employed and a large percentage of the general public having access to Chinese arts and culture who light otherwise not be exposed to it. We also worked closely with the Royal Exchange Theatre in Manchester to programme a festival of Chinese events, virtually all of which sold out. Perhaps the most positive aspect of these relationships is that they are all ongoing and we will build on them in the future.

During the summer of 2000 the staff and Board worked with Richard Blanco, a freelance consultant, to develop a strategic plan for the organisation which was financed by North West Arts Board. This was a hugely rewarding process and led to a greater feeling of cohesion and direction throughout the organisation. The Chinese Arts Centre is fortunate to employ dedicated staff and to have a supportive and committed Board. With such a team we are optimistic that our future will be positive and we can build upon the successes of this last financial year.

CHINESE ARTS CENTRE LIMITED  
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TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2001

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**Asset cover for funds**

Note 12 sets out an analysis of the assets attributable to the various funds and a description of the trusts. These assets are sufficient to meet the charity's obligations on a fund by fund basis.

**Auditors**

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Bulcock & Co be reappointed as auditors of the company will be put to the Annual General Meeting.

On behalf of the board of trustees



Yvette S Cox

Trustee

Dated

18/09/01

CHINESE ARTS CENTRE LIMITED  
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STATEMENT OF TRUSTEES' RESPONSIBILITIES

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Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the charitable company's state of affairs at the end of the year and of its income and expenditure for that period.

In preparing those accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to ensure that the accounts comply with the Companies Act 1985. 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.

CHINESE ARTS CENTRE LIMITED  
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AUDITORS' REPORT  
TO THE MEMBERS OF CHINESE ARTS CENTRE LIMITED

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We have audited the accounts on pages 6 to 11 which have been prepared under the historical cost convention and the accounting policies set out on page 8.

**Respective responsibilities of trustees and auditors**

As described on page 4 the trustees, who are also the directors of Chinese Arts Centre Limited for the purpose of company law, are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you. We have been appointed as auditors under s43 Charities Act 1993 and report in accordance with regulations made under s44 of that Act.

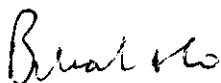
**Basis of opinion**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the accounts, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

**Opinion**

In our opinion the accounts give a true and fair view of the charitable company's state of affairs as at 31 March 2001 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Bulcock & Co

Chartered Accountants  
Registered Auditor  
10 The Bull Ring  
Northwich  
Cheshire  
CW9 5BS

Dated 18/9/01



CHINESE ARTS CENTRE LIMITED  
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STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2001

	Notes	Unrestricted Funds £	Restricted funds £	Total 2001 £	Total 2000 £
<b>Incoming resources</b>					
Grants receivable	2	-	117,474	117,474	89,325
Interest receivable		289	-	289	224
Net income from trading activities	3	7,266	-	7,266	37,202
Other income		1,791	-	1,791	1,938
<b>Total incoming resources</b>	4	<u>9,346</u>	<u>117,474</u>	<u>126,820</u>	<u>128,689</u>
<b>Resources expended</b>					
Direct charitable expenditure		4,477	117,474	121,951	137,725
Other expenditure					
Management and administration		893	-	893	893
<b>Total resources expended</b>	5	<u>5,370</u>	<u>117,474</u>	<u>122,844</u>	<u>138,618</u>
<b>Net income/(expenditure) for the year</b>		<u>3,976</u>	<u>-</u>	<u>3,976</u>	<u>(9,929)</u>
Fund balances as 1 April 2000		1,593	-	1,593	11,522
<b>Fund balances at 31 March 2001</b>		<u>5,569</u>	<u>-</u>	<u>5,569</u>	<u>1,593</u>

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 1985.

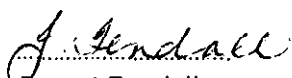
All of the charity's operations are classed as continuing and all of its income is derived from activities which are within its objects.

CHINESE ARTS CENTRE LIMITED  
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BALANCE SHEET  
AS AT 31 MARCH 2001

	Notes	£	2001 £	£	2000 £
<b>Fixed assets</b>					
Tangible assets	9		1,399		2,269
<b>Current assets</b>					
Debtors	10	600		716	
Cash at bank and in hand		15,680		8,672	
		<u>16,280</u>		<u>9,388</u>	
<b>Creditors: amounts falling due</b>					
Within one year	11	(12,110)		(10,064)	
<b>Net current (liabilities)/assets</b>			<u>4,170</u>	<u>(676)</u>	
<b>Total assets less current liabilities</b>			<u>5,569</u>	<u>1,593</u>	
<b>Income funds</b>					
Unrestricted funds:					
Other charitable funds			<u>5,569</u>	<u>1,593</u>	

The accounts were approved by the Board on 18/9/01

  
Jacqui Fendall  
Trustee

CHINESE ARTS CENTRE LIMITED  
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NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2001

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**1. Accounting policies**

**1.1 Basis of preparation**

The accounts are prepared under the historical cost convention.

The charity has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small charity.

The accounts have been prepared in accordance with the Statement of Recommended Practice - Accounting by Charities.

**1.2 Incoming resources**

Donations, legacies and other forms of voluntary income are recognised as incoming resources when receivable, except insofar as they are incapable of financial measurement.

Trading income comprises monies received for workshops, training courses run, the hire of facilities at the Chinese Arts Centre together with miscellaneous sales of materials.

Revenue grants are recognised as incoming resources when received.

Bank interest is recognised as investment income when received.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

**1.3 Resources expended**

All expenditure is included in the income and expenditure account. The value of purchase invoices received after the end in respect of expenditure incurred before the year end has also been included in the income and expenditure account. Staff costs and overhead expenses are allocated to activities either directly when identifiable or on the basis of staff time spent on those activities.

**1.4 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings & equipment      25% straight line

CHINESE ARTS CENTRE LIMITED  
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NOTES TO THE ACCOUNTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2001

2 Grants receivable

During the year the charity received £117,474 comprising the following:

1. £62,400 from North West Arts Board as a contribution to the costs of various projects undertaken
2. £16,500 from North West Arts Board re the Black Arts Development Fund
3. £18,500 from the Baring Foundation being contributions to core costs for the period 1<sup>st</sup> September 2000 to 31 August 2001.
4. £3,525 from North West Arts Board for research of the Home exhibition
5. £2,749 from North West Arts Board for the Year of the Artist exhibition
6. £12,000 from The Arts Council for the touring exhibition Made in China
7. £800 from The Arts Council for international initiatives.
8. £1,000 from Visiting Arts for the touring exhibition Made in China

3 Net income from trading activities

	2001 £	2000 £
Gross income	37,217	53,246
Expenses	29,951	16,044
	<hr/> 7,266	<hr/> 37,202

Gross income is made up of the following:

1. £14,353 Education activities
2. £19,390 Workshop activities
3. £2,364 Arts programmes
4. £1,110 various materials / items sold

Expenses of £29,951 relate to costs incurred in respect of the above

4. Incoming resources

Other income of £1,791 comprises contributions towards various expenses incurred during the year.

CHINESE ARTS CENTRE LIMITED  
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NOTES TO THE ACCOUNTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2001

5. Total resources expended

	Staff Costs	Depreciation	Other Costs	Total 2001	Total 2000
Direct charitable expenditure	54,496	870	66,585	121,951	137,725
Other expenditure					
Management and administration	-	-	893	893	893
	<u>54,496</u>	<u>870</u>	<u>67,478</u>	<u>122,844</u>	<u>138,618</u>

Management and administration costs include payments to the auditors of £893 (2000 - £893) for audit fees.

6. Trustees

None of the trustees (or any persons connected with them) received any remuneration or expenses during the year.

Volunteers' expenses of £nil were paid in respect of travelling and other expenses incurred on behalf of the charity.

There were no transactions between the charity and any of the trustees during the year.

7 Employees

Number of employees

The average monthly number of employees during the year was:

	2001 Number	2000 Number
Administration	3	2
Employment costs	2001 £	2000 £
Wages and salaries	54,496	44,944

There were no employees whose annual emoluments were £50,000 or more.

8 Taxation

The company is a registered charity and relief under s505 ICTA 1988 is claimed and no tax has been provided for.

CHINESE ARTS CENTRE LIMITED  
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NOTES TO THE ACCOUNTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2001

9 Tangible fixed assets

	Fixture fittings & equipment £
Cost	
At 1 April 2000 and As at 31 March 2001	<u>3,479</u>
Depreciation	
At 1 April 2000	1,210
Charge for the year	870
At 31 March 2001	<u>2,080</u>
Net book value	
At 31 March 2001	<u>1,399</u>
At 31 March 2000	<u>2,269</u>

During 1999 the premises occupied by the charity were destroyed by fire along with many of the charity's assets. Insurance monies received in respect of the replacement of those assets amounting to £17,944 have been netted off against the cost of replacement.

The cost of assets shown above includes £19,303 spent by the charity on replacing the items lost in the fire less £17,944 insurance proceeds received.

All fixed assets are used in the direct furtherance of the charity's objects.

10 Debtors

	2001 £	2000 £
Trade debtors	600	532
Other debtors	-	184
	<u>600</u>	<u>716</u>

11 Creditors: amounts falling due within one year

	2001 £	2000 £
Accruals and deferred income	<u>12,110</u>	<u>10,064</u>

CHINESE ARTS CENTRE LIMITED  
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NOTES TO THE ACCOUNTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2001

12 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds £	Total £
Fund balances at 31 March 2001 are represented by:			
Tangible fixed assets	1,399	-	1,399
Current assets	16,280	-	16,280
Creditors: amounts falling due within One year	(12,110)	-	(12,110)
	<u>5,569</u>	<u>-</u>	<u>5,569</u>

13 Commitments under operating leases

At 31 March 2001 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2001 £	2000 £
Expiry date:		
Between two and five years	8,813	8,813
	<u>8,813</u>	<u>8,813</u>

**Chinese Arts Centre Limited**

*This page is not part of the statutory accounts*

**Trading Account for the year ended 31st March 2001**

	Note	2001	2000
Income		£	£
Grants - NWAB		62400	60000
- BADF		16500	18000
- Manchester City Council		0	2000
- Baring Foundation		18500	3200
- NWAB	1	3525	125
- NWAB	2	2749	1000
- Arts Council		12000	
- Arts Council		800	
- Visiting Arts		1000	
Sponsorship - Arts About Manchester			5000
		117474	89325
Donation		0	
Bank interest		289	223
Trading income - Artists / Education & Workshop / Sales		7266	37202
Other income	3	1791	1938
		126820	128688
<b>Costs</b>			
Rates		998	828
Insurance		2098	1940
Light & heat		1025	1513
Postage & stationery		4086	3845
Telephone & fax		2142	2296
Travelling		208	3144
Volunteers' expenses		0	996
Artists' costs		24472	40653
Black Arts Development Fund		10860	17996
Sundry expenses - restricted funds		0	0
Rent	4	14989	8813
Depreciation		870	870
Staff wages & salaries		54496	44944
Repairs & maintenance		1282	1951
Audit fees		893	893
Training		205	0
Cleaning		364	302
Advertising & marketing		3188	5341
Computer costs		0	0
Sundry expenses - unrestricted funds		668	2292
		122844	138617
(Deficit) / surplus for the year		3976	-9929
Surplus b/f		1593	11522
Surplus c/f		5569	1593