

**ASIA HOUSE**

Company Limited by Guarantee

**CONSOLIDATED REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

Company Number 3312073

Charity Number 1072696



**ASIA HOUSE**  
**CONSOLIDATED REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

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## **ASIA HOUSE**

### **REFERENCE AND ADMINISTRATIVE INFORMATION**

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#### **TRUSTEES**

Lord Stephen Green, Chairman –appointed 1/1/17  
Mr Vahid Alaghband, Deputy Chairman -resigned 2/5/18  
Mr Victor Chu, Deputy Chairman  
Ms Ann Bella Almeida-appointed 20/6/17  
The Hon Apurv Bagri  
Mr Stephen Ball  
Mr Nicholas Butler  
Mr Zarir Jal Cama –resigned 26/9/17  
Sir Sherard Cowper-Coles  
Mr Martin Dewhurst  
Mr Albert Ellis  
Mr Timothy Fassam  
Mr Thomas David Helsby-appointed 20/6/17  
Ms Anne Ruth Herkes-appointed 20/6/17  
Ms Sung-Joo Kim  
Ms Beth McKillop  
Mr Vasuki Narayan Shastry  
Dr Deborah Swallow-appointed 20/6/17  
Lord Wei of Shoreditch- resigned 20/1/18

#### **KEY MANAGEMENT PERSONNEL**

Chief Executive  
Director of Corporate Affairs  
Head of Arts and Learning  
Head of Operations and Events  
Communications Manager  
Head of Finance and Administration

Michael Lawrence  
Charlie Humphreys  
Pamela Kember  
Philip Woodford-Smith  
Luke Foddy  
Priya Gadhia

#### **CHARITY REGISTRATION NUMBER**

1072696

#### **COMPANY REGISTRATION NUMBER**

3312073

#### **REGISTERED OFFICE**

63 New Cavendish Street  
London W1G 7LP

#### **AUDITORS**

Kingston Smith LLP  
Devonshire House  
60 Goswell Road  
London  
EC1M 7AD

#### **BANKERS**

HSBC  
89 Buckingham Palace Road  
London SW1W 0QL

#### **SOLICITORS**

RadcliffesLeBrasseur  
5 Great College Street  
London SW1P 3SS

**ASIA HOUSE**  
**TRUSTEES' REPORT**  
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The Trustees of Asia House present their report and financial statements for the year ended 31 December 2017, which have been prepared in accordance with the Companies Act 2006, in accordance with Charities Act 2011 and SORP 2005.

**CONSTITUTION**

The company was incorporated on 29 January 1997 and was registered as a charity with the Charity Commission on 2 December 1998.

On 30 June 2000, Asia House purchased as a going concern all of the undertakings, assets, liabilities and obligations of Asia House Trust, a registered charity which had substantially the same objects as Asia House.

**OBJECTS OF THE CHARITY**

Asia House was founded to establish and maintain, for the public benefit, an Asia focused institution to further the appreciation and understanding of Asian countries, their cultures, religions and economies and to foster closer communication between the peoples of Europe and Asia through a programme of exhibitions, lectures, conferences and meetings.

**TRUSTEES AND GOVERNANCE**

The trustees who served during the year are named on page 2. Following the Government's implementation of the Charities Act 2011, the Trustees are cognisant of their responsibilities in demonstrating public benefit and have regard to the Charity Commission's guidance in this area.

The Finance, Audit and Risk Committee, on behalf of the Board, reviews the audit and finances of Asia House and maintains an overview of the risk management and governance processes ensuring that the system of internal control is satisfactory.

The Nominations and Compliance Committee, considers trustee nominations and makes recommendations for the composition of the Board of Trustees to a meeting of the Trustees. Following appointment, new trustees receive an induction briefing from the Chairman and CEO during a visit to Asia House.

**PRINCIPAL ACTIVITIES**

Asia House achieves its objectives through Cultural and Corporate Programmes.

The Cultural Programme delivers a wide range of activities that highlight the culture, beliefs, political and economic current affairs of the countries of Asia. The pan-Asian nature of the programme is crucial in delivering our objectives and ensuring the expansion and diversity of our audiences.

The Business and Policy Programme is designed to stimulate debate and intellectual leadership on key current issues by bringing together leading Asian politicians and diplomats, businesspeople and decision makers together with CEOs and executives from UK and Asian based companies.

**INVESTMENT POLICY AND PERFORMANCE**

The Asia House Investment Fund, was established in January 2017 from the proceeds of the sale of the rear of 63 New Cavendish Street and 34 Weymouth Mews with the objective of maximising long-term total return, subject to not exceeding an agreed level of risk.

Asia House can invest those funds without regard to whether the investment return is in the form of capital appreciation or income and with discretion to apply any part of the total investment return as income for

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spending each year. If the capital value of the portfolio was to fall during the year, the trustees would still have discretion to use funds from the portfolio as they see fit.

The core Asia House investment strategy remains: to manage the portfolio to deliver long-term absolute returns without specific regard to income generation to diversify the portfolio across multiple asset classes. While ethical, social, and environmental considerations are taken into account when investments are made, there are no formal restrictions in place to preclude investment in specific companies, sectors, or countries.

#### **REMUNERATION POLICY**

The governing principles of the Charity's remuneration policy are as follows

- To ensure delivery of the Charity's objectives
- To attract and retain a motivated workforce with the skills and expertise necessary for organisational effectiveness
- That remuneration should be equitable and coherent across the organisation
- To take account of the purposes, aims and values of the Charity
- To ensure that pay levels and pay increases are appropriate in the context of the interests of our beneficiaries

The pay of the senior staff is reviewed annually. The remuneration benchmark is the mid-point of the range paid for similar roles adjusted for a weighting for any additional responsibilities. If recruitment has proven difficult in the recent past, a market addition is also paid.

#### **RISK MANAGEMENT**

The trustees have a risk management strategy, which comprises:

- a regular review of the principal risks and uncertainties that the charity and its subsidiary Asia House Enterprises Ltd face;
- the establishment of policies, systems and procedures to mitigate those risks identified in the annual review; and
- the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

This work has identified that financial sustainability is the major financial risk for both the charity and its subsidiary. A key element in the management of financial risk is a regular review of available liquid funds to settle debts as they fall due, regular liaison with the bank, and active management of trade debtors and creditors balances to ensure sufficient working capital by the Trust and its subsidiary company. Attention has also been focussed on non-financial risks arising from fire, health and safety of artists and audience, management of performing rights and food hygiene. These risks are managed by ensuring accreditation is up to date, having robust policies and procedures in place and regular awareness training for staff working in these operational areas.

Systems of internal control, designed to provide reasonable assurance against material misstatement and loss, include:

- regular reports to the Trustees by the Chief Executive
- regular briefing of Chairman by the Chief Executive
- an annual budget approved by the Trustees
- regular consideration by the Trustees of the financial results, variance from budgets and non-financial performance indicators

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Trustees review the Charity's risk register annually. The register identifies the types of risks the charity faces, prioritises them in terms of potential impact and likelihood, and identifies means of mitigating each risk. The day-to-day responsibility for managing the risks is delegated by the Trustees to the Chief Executive and Senior Management.

***Business and Policy Programme 2017 Review***

The Asia House Business and Policy programme enhances economic and commercial understanding and makes constructive links between Europe and Asia. The aim of the programme is to support significant progress in the economic and political engagement between the two sides, leading to tangible economic and social benefits for the populations of both regions.

As well as events to foster discussions and dialogue on a wide range of issues impacting economic and political engagement between Europe and Asia, Asia House also provides advice, insights and support to governments, businesses and other organisations in order to foster better high-level connections between the two geographies. Over the course of 2017, the Business and Policy Programme consisted of 42 events offering in depth insights into key topics relevant to the development of national and international trade and economic policy, commercial approaches to trade and investment and developments in the Asian markets.

2017 saw a number of very important developments for Asia House and for the Business and Policy Programme. Following the appointment of Lord Green as Chairman of Asia House at the start of the year, the vision for the Business and Policy programme was renewed, with a stronger focus on examining the major economic and political shifts within the global order, as emerging markets – many in Asia – play a greater role in setting the rules governing international trade and investment. A number of key initiatives were established early on in 2017 and significant progress was made to develop them by the close of the year.

Asia House further developed the organisations delivery of private research and advisory offering to help companies and governments better understand both macro-level economic and political developments between Asia and Europe, but also industry or country specific developments with key implications for international trade and investment. Building on the content and connections developed through the Business and Policy Programme, the strategy was to produce tailored support, advice and assistance for companies and governments. During the course of 2017, Asia House was able to start delivering advisory services and towards the end of the year, Asia House was commissioned by the Corporation of the City of London to produce a report on the outlook for financial markets in Asia over the next decade. The report was scheduled to be completed in early 2018.

In addition to the long-standing corporate membership and event / publication sponsorship offered by Asia House to businesses, the research and advisory offering has strengthened the financial sustainability of the organisation, whilst helping Asia House fulfil its mission to connect cultures and business activity between the UK and Asia.

Over the course of 2017 Asia House significantly contributed to understanding between Asia and Europe in the fields of business and politics through the production of a number of high level signature conferences. These major events brought together leading opinion-formers and decision-makers from the two regions to enter into discussion and dialogue with each other and the conference participants to discuss, on the public record, key issues impacting political and economic engagement. Conducted on-the-record and documented on [asiahouse.org](http://asiahouse.org), social media and other online platforms, these events raised the profile of important issues relating to Asia-Europe business and policy, but also allowed participants to engage in a public forum to generate relevant knowledge on the topics of discussion.

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Continuing a close partnership with the Asian Development Bank (ADB), in April Asia House co-organised a signature conference to highlight the key findings from their publication – *Meeting Asia's Infrastructure Needs*. The ADB is the major multilateral development organisation focusing on the pan-Asian region. Their report on Infrastructure in Asia was a major report on the needs for infrastructure development across the region, and the challenges associated with fulfilling these needs. Asia House was their chosen platform to launch the report in Europe and Bambang Susantono, their Vice President for Knowledge Management and Sustainable Development, came over to make keynote remarks, with Michael Rattinger, Vice Climate Change Specialist giving a comprehensive presentation on the report. Asia House convened leading figures from government and business for a panel discussion on the findings. The event was attended by approximately 100 delegates from business, diplomacy, government and other institutions.

Supported by the Japanese government, in March Asia House organised a conference entitled *The Female Economic Growth Factor*. The conference addressed the outlook for the greater inclusion of women in the global economy, exploring how can policymakers and corporate leaders can help unlock the economic potential of women. Following a keynote speech by Gabriela Ramos, Chief of Staff at the OECD, panel discussions explored the ambitions of the next generation of female leaders and the barriers and challenges that to gender equality.

In June, Asia House organised a conference in partnership with the University of Nottingham entitled *The future of the global knowledge economy in an era of resurgent nationalism*. The conference explored options for policy makers shaping the global environment for investing in human capital, vis-à-vis international trade and investment, in the context of concerns around growing nationalism and populism in both developing and developed economies. Following keynote speeches from Professor Sir David Greenaway, Vice-Chancellor of the University of Nottingham, and Dr Montserrat Gomendio, Deputy Director, OECD and Former Spanish Secretary of State for Education and Universities, panel discussions included comments from Dr Joanna Newman, Secretary General of the Association of Commonwealth Universities, Yael Selfin, Chief Economist at KPMG and The Rt. Hon. Lord David Willetts, Chairman of the Resolution Foundation and Former UK Minister of State for Universities and Science.

For the first time in the organisation's history, Asia House organised a major summit outside the UK, in Hong Kong – entitled *Asia Trade in the New Global Order*. Following the one of the key overall themes of the programme, the conference and associated roundtable discussions and bilateral meetings explored the role of Asian trading relationships, agreements and flows on the global economy, with panel discussions providing predictive analysis on the likely future shape of the global trade regime. Attended by over 250 representatives from business, government and academia, as well as being streamed live to an online audience, the conference provided information crucial for forming strategies around economic and commercial engagement between Asia and Europe.

Started in 2016 after the UK's decision by referendum to leave the EU, Asia House continued its successful *Brexit* series throughout 2017 to help UK and international business understand the long-term implications of the decision, particularly with regard to the UK's trade and investment relationships with Asian countries. The series also provided a platform for engagement for Asian and Western governments seeking to engage with global businesses with a view to improving understanding of the key priorities for economic and foreign policy. The series included briefings from:

- Alok Sharma, (then) Minister for Asia and the Pacific, UK Foreign and Commonwealth Office
- Mark Bowman, Director General, International and EU, HM Treasury
- The Rt Hon Liam Fox, UK Secretary of State for International Trade
- Pascal Lamy, former Director-General of the WTO and former EU Trade Commissioner

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- Baroness Shriti Vadera, Chairman of Santander UK
- Greg Hands, UK Minister of State for Trade and Investment, Department for International Trade
- HE Sylvie Bermann, French Ambassador to the UK
- Mark Field, Minister for Asia and the Pacific, UK Foreign and Commonwealth Office
- Sir Jonathan Faull KCMG, former Director General at the European Commission
- Sir Jon Cunliffe, Deputy Governor of the Bank of England for Financial Stability

Alongside the Brexit Series, Asia House initiated and developed a series of events and private briefings on *The New Global Trade Order*. Following the significant changes in policy positions on international trade and investment by a number of countries, most notably China and America, combined with new technologies and the digitisation of trade and commerce, the series was designed to help key commercial and governmental stakeholders and participants in the global trade regime understand the developments and potential impact of technological, political and economic changes on international trade and investment. The series included briefings from:

- Anthony Gardner, former US Ambassador to the EU
- Dr Shashi Tharoor, former UN Under-Secretary-General
- John Alty, Director General, Trade Policy at the UK Department for International Trade
- Professor Yoriyumi Watanabe, former Japanese Ministry of Foreign Affairs trade negotiator
- Julian Braithwaite, Ambassador and Permanent Representative, UK Mission to the UN and WTO
- Jin Keyu, Professor of Economics, London School of Economics
- Dr. Joachim von Amsberg, Vice President of the Asian Infrastructure Development Bank (AIIB)
- Hu Shuli, founder of CAIJING Magazine and editor-in-chief of Caixin Media, China
- Mari Kiviniemi, Deputy Secretary General of the OECD and former Prime Minister of Finland
- Peter Berz, Head of Unit for South and Southeast Asia, Australia and New Zealand, at the Directorate General for Trade of the European Commission
- Hajime Takata, Senior Managing Executive Officer and Chief Economist at the Mizuho Research Institute, Japan

Asia House also organised a number of roundtable discussions between leading Asian government figures and large, globally significant companies operating between the two regions. The more intimate nature of the discussion at these events fostered a free and frank exchange of views in order to enhance understanding of key business and policy issues. Highlights of the roundtable discussions include:

- Datuk Seri Ong Ka Chuan, Malaysia's Second Minister of International Trade and Industry
- Sri Mulyani Indrawati, Minister of Finance, Indonesia
- Zhang Baowen, Vice-chairperson of the 12th National People's Congress (NPC) Standing Committee, China
- Sontirat Sontijirawong, Deputy Commerce Minister, Thailand



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***Publications***

Asia House continued to develop its publications in 2017 with a book entitled *ASEAN – From Vision to Reality*. The book, which was sponsored by Malaysian airline AirAsia, contained a collection of 26 informed opinion pieces by prominent voices that include influential thought leaders in and experts from ASEAN, international government figures, academics, CEOs and Chairmen from some of the world's leading multinationals. The unique collection of pieces covered topics relating to the opportunities and challenges associated with the economic integration in ASEAN. Contributors included:

- H.E. Dr. Somkid Jatusripitak, Deputy Prime Minister of Thailand
- Mike Wells, Group Chief Executive, Prudential plc
- H.E. Tran Tuan Anh, Minister of Industry and Trade, Vietnam
- Ho Kwok Ping, Executive Chairman of Banyan Tree Holdings
- Darmin Nasution, Coordinating Minister for Economic Affairs, Indonesia
- Dr. James Riady, CEO, Lippo Group
- Gregory Hodgkinson, Chairman, Arup Group

The publication was extremely successful, garnering very positive feedback from audiences and Asia House undertook additional print runs to meet high demand for the publication.

***Corporate Membership***

Asia House Corporate Membership includes large and small UK based companies with business interests in Asia, covering a range of sectors including finance and banking, law, energy, engineering, telecommunications, consultancy, retail and recruitment. Membership at 31 December 2017 comprised 50 organisations.

***Partnerships***

Partnerships are maintained with UK, European, US and Asian think-tanks to broaden the reach of our programmes and enrich our content.

***Asian Business Leaders' Award (ABLA)***

Each year the Asia House Board of Trustees recognises the achievements and service of an Asian Business Leader. An award is made at a gala dinner to recognise an individual's contribution as a leader in business and society. The 2017 the Award was presented to Tony Fernandes, Group CEO of AirAsia.

The dinner was held in Hong Kong this year, following the *Asia Trade in the New Global Order* conference in November. Nazir Razak, Chairman of CIMB Group and winner of the Asian Business Leaders Award in 2015, delivered a speech during the dinner, which was attended by leading figures from governments, business and the media.

***Conclusion***

By bringing together leading decision makers from Asia and the West in public and private forums, Asia House Business & Policy programme seeks to add public benefit by increasing understanding between these two regions in the areas of political systems, economics, commercial engagement, bilateral and multilateral diplomacy, security and geopolitics. The public conferences attract a range of delegates

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From small businesses, medium-sized enterprises, multinational corporations, UK government departments and agencies, diplomatic missions in the UK, academic institutions, think-tanks and independent organisations. Through our private briefings, we offer an objective space for free and frank dialogue and discussion to bring together thinking between governments and the private sector in Europe and Asia with a view to preparing both sides for increased engagement and the growing level of influence of Asian countries on the global political economy.

The corporate membership structure and corporate services offering are both extremely important for Asia House to fulfil its mission. The income generated from corporate members and clients underpins the organisation financially, but just as important is the fact that the engagement with leading multinational companies also brings in key participants from the private sector to the discussions. The private research and advisory offering increases relevant knowledge and understanding among globally significant actors in the international economy. Through this community, which increasingly involves Asian companies, Asia House is also able to develop an understanding of the commercial realities for companies involved in trade and investment between Asia and Europe.

The publications allow Asia House to further enhance understanding to wider audiences and the advisory and private research assist specific organisations that require more in-depth assistance and guidance with regard to market structure, political systems, macroeconomic factors and geopolitics. In providing these insights, Asia House is able to enhance understanding in a broadest sense, but also deliver very practical support when it is needed the most in specific situations.

### **Arts and Learning Programme 2017 Review**

#### **Overview**

Throughout 2017, the Arts and Learning Programme at Asia House took as its overarching theme ancient and modern 'subcultures' which encompass various groups or a range of people whose culture, languages and customs assert a distinctiveness that sets them apart from the prevailing or dominant country or culture.

In a global environment the subject of subcultures range from indigenous people, to today's youth who have distinct lifestyle choices, whether these are musical affiliations, literary legacies, or localised distinct lifestyles. The theme was chosen for Asia House in order to introduce the expansive regions, people and languages including those of Central Asia and Eurasia and to identify their respective cultures, multiple ethnicities, languages and arts. From Georgia in the Caucasus region to Kazakhstan in Central Asia, a country that acts as a bridge between Asia and Europe, our subcultural route spanned parts of South and SE Asia, linking Turkey's emergent relationship with China's Belt and Road Initiative.

It has never been more important to further develop a stronger understanding of Asian cultures in line with Asia House's Business and Policy objectives to bring Britain and Europe closer to Asia, and through our arts programme, to better understand the diversity of identities, civilisations, and cultures of the region, both currently and historically.

In 2017, the *Asia House Bagri Foundation Literature Festival*, under the then Literature Programme Manager, Hande Eagle, drew the attention of audiences and readers on the past and current literary works from Central Asia and Turkey and the growing status of the region's authors poets, academics and critics from across the region and those of the diaspora. This revived interest in conversations about both as pre literary events, as well as during the main festival which was held between 9 – 26 May (with pre-Festival events running from 19 – 27 April, and youth outreach events taking place over the summer of 2017). The 2017 Festival programme covered the following countries: Afghanistan, China, Georgia, India, Iran, Iraq, Japan, Lebanon, North Korea, Pakistan, Syria, Turkey and the Philippines and included British – Asian and British - Middle Eastern topics. The literary events, all emphasised diversity and inclusion through transgressing geographical boundaries and overcoming political dilemmas by way of an immersion in pan-Asian literature and the dynamics of publishing works of Asian writers in translation.

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The audience was very engaged and there were many lively debates during the Q&A's that took place after each talk. As ever we had some excellent names on our festival platform – Elif Shafak, Lijia Zhang, Zeina Hashem Beck, Xiaolu Guo, Sabrina Mahfouz, Bilal Zafar, Yuriko Kotani, Min Jin Lee, Suki Kim and Nadeem Aslam.

We established a number of new media partnerships for the festival, including with Asia Literary Review, Asian Review of Books and Tilted Axis Press and will be continuing our relationship in our upcoming projects.

An adjunct talk series to the festival was the provocatively titled, *Sin Cities: Vice & Virtue across Asia's Urban Landscapes* known for its cutting edge subcultural theme, and generously supported by the Cockayne Grant for the Arts. Cities have long captured the minds and imaginations of writers and readers alike. Certain cities, particularly in Asia, have proven inexhaustible sources of inspiration for several generations of writers who have chronicled these multifaceted metropolises through the eyes of everyday people. The programme also fostered more nuanced understanding of different Asian cities in the region.

For our *Youth Outreach Programme*, we were once again in partnership with the Eastside Educational Trust to organise the 2017 Youth Outreach Programme in four schools across the UK (Leeds, Birmingham and London). As part of this programme, two Year 9 classes from each of the schools participated in two half day sessions (adding up to four sessions in total) during late June and July. The competition attracted over 100 submissions and the four winning entries, one from each of the four schools in the region, were chosen and the students, and their families and friends were awarded a prize in mid-October.

The Arts & Learning programme also put on our first stand-up comedy night in 2017 with two brilliant award-winning comedians Bilal Zafar and Yuriko Kotani. We held this event in the lower gallery with a cabaret-style set up with tables, chairs, drinks & snacks. The room was at full capacity.

For our 2018 literature programme and upcoming Asia House Bagri Foundation Literature Festival, (which will take place later in September to encourage more students and young people to attend) we welcome Anna Temby as the Literature Programme Manager. Anna has been involved in various publishing events and projects predominantly in China, Hong Kong as well as a growing pan-Asian literary portfolio. Anna possesses a range of literary, publicity and promotion skills that will be invaluable in her role. She believes that the Asia House Bagri Foundation Literature Festival occupies a unique position and looks forward to building upon the strong roots of the festival and continuing to welcome diverse authors, speakers and cultural leaders to the programme. As part of her role she will be looking towards diversifying our outreach programme in 2018 and beyond.

With our continued focus on securing vital sources of revenue and funding, we are extremely fortunate to have received the generous support of the Bagri Foundation since 2014 and delighted that they will support our signature festival in 2018, as the only pan-Asian literature festival in the UK. Outside of this, we are continually needing to seek funding for our overall arts programming – for both exhibitions and events. As grants for the arts has become increasingly more competitive, the Arts and Learning Department will need to be more alert to other distinct funding schemes – sponsors, trusts, and foundations and aim to join together with other delivery partners to explore new opportunities for funding our cross-disciplinary events. If we are to be relevant and have an impact in the community, we will have to focus on more innovative and entertaining events, through public engagement.

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*Achievements & Impact*

Closely aligning ourselves with the mission and values of Asia House as a centre of expertise on Asia, we continue to promote and present cultural diversity and opportunities for audiences to experience the cultures of Asia here in London. We continue to measure success and achievements through our programme of events and exhibitions and we are committed to improving our local and international creative networks and to providing a platform for greater engagement with the arts and cultures of the region. The Arts and Learning Department works hard to ensure we engage with British Asian communities as well as diasporic communities through as many networks as possible (embassies, societies, universities etc.). As a result, the majority of our events saw audiences of 50 per cent + Asian Asian attendees in 2016 increase in 2017 when we hosted cultural evenings with the Embassy of Georgia in the UK and Embassy, of the Republic of Kazakhstan in London and SOAS on music and song influenced by Persian and Turkic traditional sounds.

To greet visitors as they enter Asia House, we have set up a new initiative, the Foyer Gallery where we will be presenting new and emerging artists for the first time. The project also showcases artists from Asia for everyone who enters the premises therefore having greater visibility and impact in the building. In 2017 we showcased a striking series of paintings by Jordanian artist Merna Liddawi. Entitled 'Revelation' the work is reminiscent of Russian icon paintings both in scale and in materials, yet also completely abstract.

The Asia House Bagri Foundation Literature Festival, has over the past ten years established an important reputation within the London literary scene as the only festival in the UK devoted solely to Pan-Asian literature. We had more female writers participate in the 2017 Festival than ever before (33 out of 41 participants were female). Books and authors were chosen based on their quality, relevance of their subject matter to our subcultures theme and on their ability to attract audiences. There was an attempt to balance fiction/non-fiction, countries/regions, interviews, panel discussions, solo presentations, nationality and age. We engaged with both high profile authors, and the newest writers from Asia and those of the Asian diaspora that might not be well-known to the UK literary scene.

The Asia House Arts Advisory Committee was formed in November 2017. This important initiative came into place to support the development of the Arts and Learning Programme, with representation and expertise by an appointed group of eight members, across disciplines and relevant arts sectors. The main task for the Arts Committee is to help the Arts and Learning programme develop. The committee will also advise on the effectiveness of the programme and, by drawing on member's expertise and experiences, the committee will focus on creating greater impact, influence and audiences, as well as advising the arts and learning programme on operational challenges and building stronger partnerships and encourage potential donors/patrons. The committee will aim to meet at least twice a year.

In the summer of 2017, Arts and Learning exhibited for the first time, a cross disciplinary art-neuroscience project with London based, Hong Kong born Suki Chan. The exhibition entitled *Lucida* reflected the artist's long term interest in the relationship between the human eye, the brain and vision. The artist worked in collaboration ophthalmologists, neurobiologists, vision scientists and psychologists, and was supported by a Wellcome Trust award. The touring exhibition (London, Manchester, Portsmouth and Dublin ) consisted of a three channel interactive video installation, where visitors were encouraged to sit in front of a camera and watch how their eye movement was tracked as they viewed a still image projected onto the wall. Their eye movements were simultaneously tracked on the screen forming an abstract pattern of lines and shapes to show how the human eye 'sees' through the lens of the camera.

During the always popular, Asian Art Week in London, celebrating 20 years in 2017, Asia House showcased Treasures from the Art Museum of the Chinese University, Hong Kong's (CUHK) collections, funded by the CUHK in collaboration with the Hong Kong Economic & Trade Office (HKETO), and officiated by HKETO's Director General, Pricilla To. The exhibition brought together a number of high profile Hong Kong guests including collectors, many first time visitors to Asia House.

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The second International **Art Gemini Prize** which attracted over 900 entries from Europe, Central Asia, the Americas and South Asia was presented at Asia House in September 2017. The three prize winners were announced at the opening event on 19 September and attracted more than 100 guests.

Lastly, our end of year exhibition, the Garden of Mystery (21 November – 1 December) curated by Mariam Neza, had selected works by the renowned artists, Monir Farmanfarmaian, Y.Z Kami and emerging artist, Taha Afshar to celebrate the 700th anniversary of the literary masterpiece, the 'Gulshan-i Raz', by Mahmood Shabistari. The work is a primary text of Sufism throughout the world from Turkey to India. The exhibition and related panel discussion attracted the greatest number of visitors to our year round exhibition programme and provided the opportunity to forge new connections with well-regarded international galleries, curators and collectors, including the Gagosian Gallery, New York. The sponsor of the exhibition was Ahmad Tea, who continue to support Asia House's year round events programme.

#### *Measuring impact*

Throughout 2017, the Arts and Learning Department continued to assess the impact of its talks and events and concluded that, despite the quality and content of our year round events, we have to be even more conscious of the need to address fluctuating visitor numbers to our cultural programmes. Comparative figures over the past three years indicate that growing competition for attendances at cultural and arts events, especially in London, remains very high in terms of attracting audiences across the arts.

Our Arts and Learning events currently appeal diverse and multiple communities through our ongoing objectives to stimulate appreciation for and enjoyment of the arts and cultures of Asia. This is vital if we are to build a more loyal following across all our events. We need to ensure that each has the same functions and aims, which are to enhance understanding of the arts of Asia through engagement. This experience should be both entertaining as well as meaningful, and so in curating each event it is critical to measure how we define the meaning of success, and the outcomes for our visitors remains crucial.

Despite having relied on feedback forms and Survey Monkey at past events, we understand that these can no longer be seen as the only indicators in measuring impact for our demographic and visitor profiles. Listening to and addressing audience both at our events (comments from the floor, and networking at receptions), as well as post event feedback, remains the most instant and obvious indicator of the value and quality of our events.

In addition we have noticed online feedback has become more active through the dissemination of more regular e-newsletter as well as social media. This affords a more immediate means of communicating an experience at the event and is indicative of how public opinion is increasingly being received and helps identify which events we should do more of, and which perform better than others in terms of audience impact and figures.

As a result, we aim to look to planning future objectives through developing our own event assessment based on increased communication both online and offline with existing and potential audiences. Marketing and communications is essential to achieving the reach of any message we communicate about the greater attendances. In addition we must ensure we build in the views/objectives of our partners or co-hosts.

The need to be more strategic in planning will be even more vital to our aims and targets in the years ahead, and this has led to us redefine and be clearer about our objective in the future - which is to build greater audience attendance at all our events, and more participatory engagement value. Trying out different formats for our events will form part of this analysis.

Equally important is our combined and meaningful collaboration with organisations that bring new audiences, community outreach, and disciplines to our programme, that also have the potential to reach across the arts to include environmental, sciences, languages and the diverse philosophies of Asia. We will ensure we engage with our audiences and meet our programme objectives we need to remain relevant and have real engagement value for every one of our visitors and to those we aim to attract in the future.

**ASIA HOUSE**  
**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

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**Future Plans**

We are committed to increasing numbers and broadening the community of our Asia House Arts Membership scheme by offering a rich and diverse range of activities that focus on both exclusivity and inclusivity in order to gain greater loyalty and following. Increasing regular communications through letters and promoting special events and offers to arts members is also valued.

- We will continue to evaluate the accessibility to our programmes by putting feedback mechanisms in place on reviewing content, diversity of programming, and assessing audiences and communities, to further the aims and objectives of our Arts and Learning Programmes.
- We will improve our methods of collecting data and analyse both quantitative and qualitative statistics in relation to our audience demographic in order to broaden diversity and our commitment to equal opportunities.
- We will analyse feedback to create a wider and more diverse audience for our range of programmes, and will foster greater accessibility and networking capabilities, both nationally and internationally.
- We will create an infrastructure that is based on cooperation and increased partnership with other organisations.
- We will continue to address fundraising strategies and implement plans to gain greater support and commitment to our programme from both grant giving bodies as well as the corporate sector in a highly competitive arts market.

**FINANCIAL REVIEW**

In the year to 31 December 2017, Asia House delivered a surplus after unrealised gain of £37k (2016: £2.1m after a gain on the investment property of £2m), total revenue excluding gains £1.7m (2016: £1.8m)

Asia House Enterprises Ltd, a wholly owned subsidiary of Asia House continued to trade well. The concerted effort to recruit a broader base of Corporate Partners continues. The Founding Stakeholders, HSBC, Prudential and Standard Chartered continue to support this effort. During the year, the following new corporate members were recruited:

- Accenture
- CIMB
- Dentons
- DMCC
- Finsbury
- Hewlett Packard
- RELX

**RESERVES POLICY AND GOING CONCERN**

To safeguard the need for sufficient funds to cover on-going management and administration and support costs, the reserve policy set by the Board is to maintain free reserves at a level that equals three months (£437k) of operating and charitable expenditure anticipated in 2018.

At 31<sup>st</sup> December 2017 the charity's free reserve was £0.4m (General Unrestricted fund £9.3m less Net Fixed Liabilities (Fixed Assets less long-term loans) £8.9m. The Board is satisfied with the free reserves balance.

## **ASIA HOUSE**

### **TRUSTEES' REPORT**

#### **FOR THE YEAR ENDED 31 DECEMBER 2017**

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Detailed cash flow projections demonstrate that the charity remains cash positive. The freehold property was last valued in 2016 and the building was estimated to be worth £10m on the open market based upon its current usage. The trading company has continued to sustain its income. The Trustees believe that the organisation is a going concern.

#### **ASIA HOUSE ENTERPRISES**

Asia House Enterprises Ltd is a trading subsidiary of Asia House, operating the corporate membership programme and commercial letting of the function rooms at 63 New Cavendish Street.

Net income generated by Asia House Enterprises was £641k (£718k in 2016). We are expanding our activities in Asia and held our signature event in Hong Kong. We knew this would cost more, but this is an important strategic direction for the organisation.

#### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

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

Company law required trustees to prepare financial statements for each financial year, which give a true and fair view of the state of the affairs of the charitable company and of its income, and expenditure 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 accounting standards including FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether a Statement of Recommended Practice (SORP) applies and has been followed, subject to any material departures which are explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**ASIA HOUSE**

**TRUSTEES' REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

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**AUDITORS**

Kingston Smith LLP have indicated their willingness to continue in office and are deemed to be reappointed in accordance with section 487(2) of the Companies Act 2006.

.....

Lord Green of Hurstpierpoint, Chairman  
12<sup>th</sup> June 2018



**Opinion**

We have audited the financial statements of Asia House (the 'company') for the year ended 31 December 2017 which comprise Group Statement of Financial Activities, the Group Summary Income and Expenditure Account, the Group and Parent Charitable Company Balance Sheets, the Group Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland' (United Kingdom Generally Accepted the UK and Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 December 2017 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 and the Charities Act 2011.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and, in respect of the consolidated financial statements, to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters which 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 any party other than the charitable company, the charitable company's members, as a body, and the charity's trustees, as a body, for our audit work, for this report, or for the opinion we have formed.

**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's and parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our

opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- 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; and
- the trustees' annual report have been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 require us to report to you if, in our opinion:

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

#### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 14, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

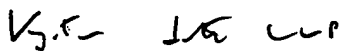
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

**ASIA HOUSE**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS & TRUSTEES OF ASIA HOUSE**

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We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

  
.....  
**Neil Finlayson** (Senior Statutory Auditor)  
for and on behalf of Kingston Smith LLP, Statutory Auditor

Date: 13/6/2018

Devonshire House  
60 Goswell Road  
London  
EC1M 7AD

Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

**ASIA HOUSE**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

	Notes	Unrestricted Funds 2017 £'000	Restricted Funds 2017 £'000	Total Funds 2017 £'000	Unrestricted Funds 2016 £'000	Restricted Funds 2016 £'000	Total Funds 2016 £'000
<b>INCOME FROM:</b>							
Donations and Legacies		194	-	194	153	-	153
Income from trading Subsidiary		1,356	-	1,356	1,284	-	1,284
Charitable activities		62	-	62	129	-	129
Other income		103	-	103	264	-	264
<b>Total income</b>	<b>2</b>	<b>1,715</b>	<b>-</b>	<b>1,715</b>	<b>1,830</b>	<b>-</b>	<b>1,830</b>
<b>EXPENDITURE ON:</b>							
Raising funds		12	-	12	172	-	172
Venue Hire & Business & Policy		1,422	-	1,422	1,234	-	1,234
Charitable Activities		352	-	352	378	13	391
<b>Total expenditure</b>	<b>4</b>	<b>1,786</b>	<b>-</b>	<b>1,786</b>	<b>1,784</b>	<b>13</b>	<b>1,797</b>
<b>NET INCOME/(EXPENDITURE) FOR THE YEAR</b>		<b>(71)</b>	<b>-</b>	<b>(71)</b>	<b>46</b>	<b>(13)</b>	<b>33</b>
<b>Other recognised gains:</b>							
Unrealised Gain		108	-	108	-	-	-
Gain on disposal of property		-	-	-	2,068	-	2,068
<b>NET MOVEMENT IN FUNDS</b>		<b>37</b>	<b>-</b>	<b>37</b>	<b>2,114</b>	<b>(13)</b>	<b>2,101</b>
<b>TOTAL FUNDS BROUGHT FORWARD</b>		<b>9,304</b>	<b>10</b>	<b>9,314</b>	<b>7,190</b>	<b>23</b>	<b>7,213</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<b>15</b>	<b>9,341</b>	<b>10</b>	<b>9,351</b>	<b>9,304</b>	<b>10</b>	<b>9,314</b>

All of the charitable company's activities are derived from continuing activities.  
All recognised gains and losses are included in the Statement of Financial Activities.  
The notes on the accompanying pages form a part of these Financial Statements.

**ASIA HOUSE**  
**CONSOLIDATED BALANCE SHEET**  
**AT 31 DECEMBER 2017**

	Notes	Group		Charity	
		2017	2016	2017	2016
		£'000	£'000	£'000	Restated £'000
<b>FIXED ASSETS</b>					
Tangible Assets	8	9,956	10,009	9,956	10,009
Intangible Assets	9	17	17	17	17
Investments	10	3,245	-	3,245	-
		<u>13,218</u>	<u>10,026</u>	<u>13,218</u>	<u>10,026</u>
<b>CURRENT ASSETS</b>					
Stock		3	4	-	-
Debtors	11	503	278	184	87
Cash at bank and in hand		373	4,411	199	4,251
		<u>879</u>	<u>4,693</u>	<u>383</u>	<u>4,338</u>
<b>CREDITORS: amounts falling due within one year</b>	12	<u>(466)</u>	<u>(1,175)</u>	<u>(611)</u>	<u>(1,538)</u>
<b>NET CURRENT ASSETS/ (LIABILITIES)</b>		<u>413</u>	<u>3,518</u>	<u>(228)</u>	<u>2,800</u>
<b>DEBTORS: amounts falling due after more than one year</b>	11	<u>-</u>	<u>50</u>	<u>-</u>	<u>50</u>
<b>TOTAL ASSETS LESS CURRENT (LIABILITIES)</b>		<u>13,631</u>	<u>13,594</u>	<u>12,990</u>	<u>12,876</u>
<b>CREDITORS: amounts falling due after more than one year</b>	12	<u>(4,280)</u>	<u>(4,280)</u>	<u>(4,280)</u>	<u>(4,280)</u>
<b>TOTAL NET ASSETS</b>		<u>9,351</u>	<u>9,314</u>	<u>8,710</u>	<u>8,596</u>
<b>FUNDS &amp; RESERVES</b>					
Unrestricted – General Fund	15	3,218	3,181	2,577	2,463
Revaluation Reserve	15	6,123	6,123	6,123	6,123
Restricted Fund	14	10	10	10	10
		<u>9,351</u>	<u>9,314</u>	<u>8,710</u>	<u>8,596</u>

Approved and authorised for issue by the Board of Trustees on 12<sup>th</sup> June 2018 and signed on its behalf by:

  
 Lord Green of Hurstpierpoint, Chairman

The notes on the accompanying pages form a part of these Financial Statements. Company Number: 3312073

**ASIA HOUSE**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

	Notes	Group 2017 £'000	2016 £'000	Charity 2017 £'000	2016 £'000
<b>Net cash inflow from operating activities</b>	20	(738)	(2)	(751)	271
<b>Investing activities:</b>					
Purchase of intangible fixed assets		(11)	(10)	(11)	(10)
Purchase of tangible fixed assets		(45)	(21)	(45)	(21)
Purchase of Investments		(3,245)	-	(3,245)	-
Proceeds from sale of property		-	4,113	-	4,113
<b>Net cash used in investing activities:</b>		<b>(4,039)</b>	<b>4,080</b>	<b>(4,052)</b>	<b>4,353</b>
<b>Financing activities:</b>					
Repayment of bank loan		-	(255)	-	(255)
<b>Net cash used in financing activities</b>		<b>-</b>	<b>(255)</b>	<b>-</b>	<b>(255)</b>
<b>Net cash generated in financing activities</b>		<b>(4,039)</b>	<b>3,825</b>	<b>(4,052)</b>	<b>4,098</b>
Cash and cash equivalents at the beginning of the year		4,411	586	4,251	153
<b>Total cash and cash equivalents at year end</b>		<b>372</b>	<b>4,411</b>	<b>199</b>	<b>4,251</b>

**ASIA HOUSE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

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**1. ACCOUNTING POLICIES**

**a. Basis of accounting**

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charitable Company and its subsidiaries are a public benefit group for the purposes of FRS 102 and therefore the Charity also prepared its financial statements in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (The FRS 102 Charities SORP), the Companies Act 2006 and Groups (Accounts and Reports) Regulations 2008 (SI 2008/410), and the Charities Act 2011.

**b. Preparation of the accounts on a going concern basis**

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable group to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular, the trustees have considered the charitable group's forecasts and projections and have taken account of pressures on donation and investment income. After making enquiries the trustees have concluded that there is a reasonable expectation that the charitable group has adequate resources to continue in operational existence for the foreseeable future. The charitable group therefore continues to adopt the going concern basis in preparing its financial statements.

**c. Basis of consolidation**

Group financial statements consolidate the financial statements of Asia House and its wholly owned subsidiary undertakings, Asia House Enterprises Limited and Sixty Three New Cavendish Limited, for the year ended 31 December 2017. In accordance with Section 408 of the Companies Act 2006, no separate statement of financial activities is presented for Asia House.

**d. Fund accounting**

The general fund comprises those monies, which may be used towards meeting the charitable objectives of the charity at the discretion of the trustees.

The restricted fund comprises monies raised for, and their use restricted to, a specific purpose, or donations subject to donor-imposed conditions.

Non-charitable trading fund consists of the retained profits of activities conducted through non-charitable trading subsidiaries.

**e. Incoming resources**

With the exception of voluntary income arising from donations and membership subscriptions, which are recognised in full on the date of receipt, all income is credited to the statement of financial activities on the accruals basis. Donations are credited to the statement of financial activities in the year in which they are received.

**f. Resources expended**

Charitable expenditure comprises direct expenses incurred on the defined charitable purposes of the charity and includes direct staff costs attributable to the activity and an allocation of the general management and overhead costs.

Fundraising costs comprise expenditure incurred by the charity in inducing others to contribute to it.

Support costs are allocated across expenditure categories, based on average staff activity during the year.



## **ASIA HOUSE**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **FOR THE YEAR ENDED 31 DECEMBER 2017**

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##### **g. Allocation of support costs**

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and Governance costs, which support the Trusts artistic programmes and activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 4.

##### **h. Fixed assets**

Fixed assets are stated at cost, and depreciated over their estimated useful lives as follows:

Tangible fixed assets:

- Leasehold property & improvements - over 132 years  
Except costs of the studio refurbishment which are being depreciated at 10% p.a. straight line
- Office & IT equipment - 25% p.a. straight line

Intangible fixed assets:

- Website & database - 25% p.a. straight line

The Charity capitalises assets above £500

Leasehold property included in the balance sheet at open market value as permitted by regulations made under the Companies Act 2006 and in accordance with financial reporting standard 15 accounting for fixed assets.

##### **i. Investments**

Investments are stated at market value at the balance sheet date. The Statement of Financial Activities includes the realised gains and losses on acquisitions and disposals as well as the unrealised gains and losses throughout the year. The unrealised gains or losses represent the difference between the market value and the book value on the annual accounting date, namely 31 December. Unrealised gains or losses are transferred to the accumulated fund. The actual gain or loss will depend upon the prices ruling at the time of sale. The figure for unrealised gains is therefore only an indication of the position

##### **j. Stock**

Stock comprises beverages for venue hire and is stated at the lower of cost and net realisable value.

##### **k. Uses of Estimates and Judgements**

In preparing financial statements, it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The following judgements and estimates are considered by the trustees to have most significant effect on amounts recognised in the financial statements. The view of the trustees applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

**ASIA HOUSE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

**2. INCOMING RESOURCES**

	<b>Charitable</b>	<b>Trading</b>	<b>2017</b>	<b>Charitable</b>	<b>Trading</b>	<b>2016</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Donations	194	-	194	153	-	153
Cultural Events	13	-	13	14	-	14
Friends and patrons	7	-	7	11	-	11
Corporate	-	562	562	-	561	561
Grants	40	-	40	67	-	67
Sponsorship	1	195	196	37	49	86
Other Income	104	599	703	264	674	938
	<b>359</b>	<b>1,356</b>	<b>1,715</b>	<b>546</b>	<b>1,284</b>	<b>1,830</b>

**3. RESULTS OF TRADING SUBSIDIARY**

Asia House has two wholly owned trading subsidiaries, which are incorporated in England and Wales.

<b>Asia House Enterprises Limited</b>	<b>2017</b>	<b>2016</b>
	<b>£'000</b>	<b>Restated £'000</b>
Income	1,356	1,284
Expenditure	(715)	(566)
Profit	641	718
Retained profit brought forward	718	500
Distribution to Asia House	(718)	(500)
<b>Retained profit carried forward</b>	<b>641</b>	<b>718</b>

The principal activity of Asia House Enterprises Limited (Company number: 3242229) is the operation of a corporate membership programme for Asia House and the commercial letting of its function rooms. The Company covenants its profits to Asia House under gift aid. Sixty Three New Cavendish Limited did not trade during the year or the prior year.

**4. ANALYSIS OF RESOURCES EXPENDED**

	<b>Direct Costs</b>	<b>Support Costs</b>	<b>2017</b>	<b>Direct Costs</b>	<b>Support Costs</b>	<b>2016</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Fundraising	-	-	-	133	39	172
Venue Hire & Business & Policy	714	734	1,448	566	668	1,234
Cultural Programme	153	185	338	221	170	391
<b>Total</b>	<b>867</b>	<b>919</b>	<b>1,786</b>	<b>920</b>	<b>877</b>	<b>1,797</b>

# ASIA HOUSE

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2017

#### Analysis of Support Costs of Charitable Activities:

	Basis of Allocation	2017 £'000	2016 £'000
Staff Costs	CEO, Finance & Digital staff	463	524
Office Running Costs	Divisional headcount	313	257
Legal & Professional Fees	Case by case	20	20
Governance	Time spent	13	12
Other	Divisional headcount	-	-
Depreciation & Amortisation	Area	109	64
		<b>918</b>	<b>877</b>

#### 5. NET MOVEMENT IN FUNDS

	2017 £'000	2016 £'000
<b>This is stated after charging:</b>		
Auditor's remuneration	10	10
Auditors in respect of non- audit services	3	2
Depreciation	98	57
Amortisation	10	7
Board Expenses	1	1

#### 6. STAFF COSTS AND NUMBERS - CHARITY AND GROUP

	2017 £'000	2016 £'000
Staff costs during the year were:		
Salaries & wages	855	837
Social security costs	90	94
Pension costs	14	13
	<b>959</b>	<b>944</b>
Consultants & Temporary Staff	12	20
Other Staff Costs	36	34
	<b>1,007</b>	<b>998</b>

The key management personnel of the group comprise those of the Charity and the key Management personnel of its wholly owned subsidiary Asia House Enterprises Ltd. The key management personnel are the Chief Executive, Director of Business and Policy, Head of Arts and Learning, Head of Finance, Head of Operations, and Communications Manager. Remuneration and benefits of key management personnel for the group were £457,839 (2016: £481,412).

Number of employees whose emoluments exceeded £60,000:

	2017	2016
£60,000-£70,000	1	1
£150,000 - £160,000	-	-
£200,000-£250,000	1	1

Employers pension contributions in respect of the above employees were £8,097 (2016: £4,156)

Redundancy costs £3,500 (2016: £2,155). Average number of employees during the year was 20 (2016: 22)

## ASIA HOUSE

### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE YEAR ENDED 31 DECEMBER 2017

#### 7. TRUSTEES' REMUNERATION AND REIMBURSED EXPENSES

The charity trustees were not paid or received any other benefits from employment with the Trust or its subsidiary in the year (2016: £nil). They were reimbursed £nil expenses during the year (2016: £nil). No charity trustee received payment for professional or other services to the charity (2016: nil).

#### 8. TANGIBLE FIXED ASSETS – GROUP & CHARITY

	<b>Leasehold Property £'000</b>	<b>Office Equipment £'000</b>	<b>Total £'000</b>
<b>COST</b>			
At 1 January 2017	10,000	109	10,109
Additions	-	45	45
<b>At 31 December 2017</b>	<b>10,000</b>	<b>154</b>	<b>10,154</b>
<b>DEPRECIATION</b>			
At 1 January 2017	34	66	100
Charge for the year	76	22	98
<b>At 31 December 2017</b>	<b>110</b>	<b>88</b>	<b>198</b>
<b>NET BOOK VALUE</b>			
<b>At 31 December 2017</b>	<b>9,890</b>	<b>66</b>	<b>9,956</b>
<b>At 31 December 2016</b>	<b>9,966</b>	<b>43</b>	<b>10,009</b>

The Leasehold Property was valued in 2016 at £10m by Savills. Leasehold property included in the balance sheet at open market value as permitted by regulations made under the Companies Act 2006 and in accordance with financial reporting standard 15 accounting for fixed assets.

HSBC Bank Plc holds Fixed and floating charges over the undertaking and all property and assets present and future including goodwill, book debts, capital buildings fixtures fixed plant and machinery.

**ASIA HOUSE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

**9. INTANGIBLE ASSETS**

	<b>Database</b>	<b>Website</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>COST</b>			
At 1 January 2017	20	11	31
Additions	-	10	10
<b>At 31 December 2017</b>	<b>20</b>	<b>21</b>	<b>41</b>
<b>AMORTISATION</b>			
At 1 January 2017	9	5	14
Charge for the year	4	6	10
<b>At 31 December 2017</b>	<b>13</b>	<b>11</b>	<b>24</b>
<b>NET BOOK VALUE</b>			
<b>At 31 December 2017</b>	<b>7</b>	<b>10</b>	<b>17</b>
<b>At 31 December 2016</b>	<b>11</b>	<b>6</b>	<b>17</b>

**10. INVESTMENTS**

	<b>2017</b>	<b>2016</b>
	<b>£'000</b>	<b>£'000</b>
Investments at market value	3,087	-
Cash held within investment portfolio	158	-
	<b>3,245</b>	<b>-</b>
Market value at 1/1/17	-	-
Additions at cost	3,110	-
Disposals at carrying value	(132)	-
Unrealised gain	109	-
<b>Market value at 31/12/17</b>	<b>3,087</b>	<b>-</b>
<b>Historical cost at 31/12/17</b>	<b>2,978</b>	<b>-</b>

**ASIA HOUSE**  
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**10. INVESTMENTS –Continued**

**Individual investments which are considered significant in relation to total values are:**

	2017	2016
BAILLIE GIFFORD & CO LTD Corporate Bond B Inc	4.41%	-
CAPITA FINANCIAL MGRS Trojan Fund S Inc	3.80%	-
STANDARD LIFE INVESTMENTS Invest Grade Corp Bd Instl Inc	3.45%	-
PAYDEN GLOBAL FUNDS Gbl Infl Linked Bond Hgd Dist	3.33%	-
TREASURY 1/8% I/L Stock 22/03/2024	3.00%	-
BLUEBAY FUNDS MGMT Gbl High Yield Bd Q Inc (GBP)	2.95%	-
THREADNEEDLE INVESTMENTS UK Corp Bond Instl Inc Dist	2.90%	-
TREASURY 1 7/8% I/L Stock 22/11/2022	2.50%	-
AHFM DEFINED RETURNS FUND Structured Product Fund Inc	2.38%	-
MONKS INVESTMENT TRUST 5p Ordinary Shares	2.35%	-
ISHARES PLC Core Corp Bond UCITS ETF (GBP)	2.26%	-
MERCANTILE INVESTMENT TRUST 25p Ordinary Shares	2.18%	-
RIT CAPITAL PARTNERS PLC #1 Ordinary Shares	2.12%	-
CAPITA FINANCIAL MGRS Trojan o	2.07%	-
ISHARES II PLC UK Gilts UCITS ETF	2.03%	-
	2017	2016
	£	£
<b>Investment in subsidiary</b>		
Asia House Enterprises Limited	2	2
Sixty Three New Cavendish Limited	1	1
	<u>3</u>	<u>3</u>

Asia House owns all of the issued share capital of Asia House Enterprises Limited and Sixty Three New Cavendish Limited. The reserves of both subsidiaries at 31 December 2017 were £nil (2016: £nil).

**11. DEBTORS**

	Group		Charity	
	2017	2016	2017	2016
	£'000	£'000	£'000	Restated £'000
Trade debtors	415	290	101	99
Prepayments and accrued income	88	38	83	38
	<u>503</u>	<u>328</u>	<u>184</u>	<u>137</u>

Included in trade debtors for the charity and group is £Nil (2016: £50,000) relating to debtors due in more than 1 year.

**ASIA HOUSE**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

**12. CREDITORS**

	<b>Group</b>		<b>Charity</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Amounts falling due within one year:</b>				
Deferred income (note 13)	258	250	150	190
Trade creditors and accruals	127	287	377	710
Redundancy accrual	-	13	-	13
Other taxes and social security	81	625	84	625
	<u>466</u>	<u>1,175</u>	<u>611</u>	<u>1,538</u>
<b>Amounts falling due after More than one year:</b>				
Bank loans repayable:				
Over 5 years	4,280	4,280	4,280	4,280
	<u>4,280</u>	<u>4,280</u>	<u>4,280</u>	<u>4,280</u>

The Bank loans total of £4,280,000 (2016: £4,280,000) are public benefit entity concessionary loans as the interest is below the prevailing market rate, they are not repayable on demand and they were given to the charity to help further the purposes of its objects.

**13. DEFERRED INCOME**

	<b>Group</b>		<b>Charity</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Deferred income b/fwd	250	266	190	221
Transferred to deferred income	(250)	(266)	(190)	(221)
Deferred income in year	258	250	150	190
	<u>258</u>	<u>250</u>	<u>150</u>	<u>190</u>

# ASIA HOUSE

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

### 14. RESTRICTED FUNDS

The funds of the Charity include restricted funds comprising the following unexpended balances of donations held on trust to be applied for specific purposes:

**Studio Garden** – this donation was to finance the creation of a garden outside the refurbished studio.

	At 1/1/2017 £'000	Incoming Resources £'000	Resources Expended £'000	At 31/12/2017 £'000
Studio Garden	10	-	-	10
	<u>10</u>	<u>-</u>	<u>-</u>	<u>10</u>

	At 1/1/2016 £'000	Incoming Resources £'000	Resources Expended £'000	At 31/12/2016 £'000
Pan Asian Women's Assoc.	13	-	(13)	-
Studio Garden	10	-	-	10
	<u>23</u>	<u>-</u>	<u>(13)</u>	<u>10</u>

### 15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Fund £'000	Restricted Fund £'000	Revaluation Reserve £'000	Total At 31/12/2017 £'000
<b>Fund balances at 31 December 2017 are represented by:</b>				
Fixed Assets	3,850	-	6,123	9,973
Investments	3,245	-	-	3,245
Current Assets	869	10	-	879
Creditors: due within one	(466)	-	-	(466)
Creditors: due after one	(4,280)	-	-	(4,280)
<b>Total net assets</b>	<u>3,218</u>	<u>10</u>	<u>6,123</u>	<u>9,351</u>

	Unrestricted Fund £'000	Restricted Fund £'000	Revaluation Reserve £'000	Total At 31/12/2016 £'000
<b>Fund balances at 31 December 2016 are represented by:</b>				
Fixed Assets	3,903	-	6,123	10,026
Current Assets	4,683	10	-	4,693
Debtors : due after one year	50	-	-	50
Creditors: due within one	(1,175)	-	-	(1,175)
Creditors: due after one	(4,280)	-	-	(4,280)
<b>Total net assets</b>	<u>3,181</u>	<u>10</u>	<u>6,123</u>	<u>9,314</u>



## ASIA HOUSE

### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE YEAR ENDED 31 DECEMBER 2017

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#### 16. TAXATION

Asia House is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

#### 17. LIABILITY OF MEMBERS

Asia House is constituted as a company limited by guarantee. In the event of the charity being wound up, members are required to contribute an amount not exceeding £1. At year-end date, the charity had one member (2016:1)

#### 18. OPERATING LEASES

At 31 December 2017, the charity had annual commitments under non-cancellable operating leases for plant and equipment as set out below:

	2017 £'000	2016 £'000
Within one year	9	9
Between 1 and 5 years	9	18
Total	<u>18</u>	<u>27</u>

#### 19. RELATED PARTY TRANSACTIONS

The following amounts were received in donations, sponsorship, or other commercial transactions from Trustees' related parties:

	2017 £'000	2016 £'000
Harvey Nash (Albert Ellis)	10	23
Standard Chartered (Vasuki Shastry)	60	-
HSBC (Sherard Cowper-Coles)	125	-
Prudential (Timothy Fassam)	90	-
KPMG (Stephen Ball)	50	-
Kroll (Tommy Helsby)	10	-
Vahid Alaghband	44	27
Bagri Foundation (The Honourable Apurv Bagri)	30	33
McKinsey & Co (Martin Dewhurst)	25	38
	<u>444</u>	<u>121</u>

**ASIA HOUSE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**20. RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	<b>Group</b>		<b>Charity</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
				<b>Restated</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Net incoming/(outgoing) resources	37	2,101	114	1,897
Depreciation charges	98	57	98	57
Amortisation charges	11	7	11	7
Profit on sale of fixed assets	-	(2,823)	-	(2,823)
Decrease/(increase) in stock	-	-	-	-
Decrease/(increase) debtors	(175)	(69)	(47)	(28)
Increase/(decrease) in creditors	(709)	725	(927)	1,161
<b>Net cash generated for operating activities</b>	<b>(738)</b>	<b>(2)</b>	<b>(751)</b>	<b>271</b>

**21. FINANCIAL INSTRUMENTS**

**Other financial instruments**

**a. Cash and cash equivalents**

Cash and cash equivalents include cash at banks and in hand and short term deposits with a maturity date of three months or less.

**b. Debtors and creditors**

Debtors and creditors receivable or payable within one year of the reporting date are carried at their transaction price. Debtors and creditors that are receivable or payable in more than one year and not subject to a market rate of interest, are measured at the present value of the expected future receipts or payment discounted at a market rate of interest.

**22. PRIOR YEAR ADJUSTMENT**

Financial Reporting Council have completed their first triennial review of FRS102 and have ruled that gift aid payments from charity trading subsidiaries should not be recorded in the profit and loss account and instead are treated as distributions on the date of payment and cannot be accrued. Accordingly, gift aid receipts of £718k paid in 2017, and £500k paid in 2016, have been included in the year received, the prior year debtor due from the subsidiary is restated.