

MANCHESTER CHINESE CENTRE

COMPANY REGISTRATION NUMBER: 5641623
REGISTERED CHARITY NUMBER: 1114121

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2008

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Community Accountancy Service Ltd.,
The Grange, Pilgrim Drive,
Beswick,
Manchester M11 3TQ

MANCHESTER CHINESE CENTRE

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2008**

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REPORT OF THE DIRECTORS

The Directors present their first report for the year ended 31st December 2008.

COMPANY STATUS

The company was incorporated on 1st December 2005 by its Memorandum and Articles of Association, to be a company limited by guarantee. In the event of the company's winding up, all its members have agreed to contribute a sum not to exceed £10.

Company Registration No. 5641623.

The company was also accepted as a charity, Registration No. 1114121 on 9th May 2006.

DIRECTORS

The directors who served during the year were:

Joanna Dobelaite

Cindy Mei Ling Mok

Jenny Wong

Jenny Lai

Mrs Quyen Tran

Company Secretary

ACCOUNTANTS

Community Accountancy Service Ltd

The Grange, Pilgrim Drive

Beswick, Manchester

M11 3TQ

BANKERS

The Cooperative Bank PLC

Balloon Street, Manchester

FINANCES & RESERVES

The attached statements show the current state of the Charity's finances, which the Directors are working hard to develop into a sustainable base. The charity has had to rely on loans to cover basic operating costs.

Current free reserves are : £3,222

RISK ASSESSMENT

The Directors have reviewed the risks to which the company is exposed and systems have been established to manage those risks.

ACTIVITIES AND FUTURE PLANS

The principal activities of the company are to offer a variety of educational benefits to Chinese children, including English and Chinese language skills and I.T.

A detailed report is given in the annual review which can be obtained from the charity's registered office.

PUBLIC BENEFIT

The charity provides an educational benefit to the public.

DIRECTORS' RESPONSIBILITIES

Company Law requires the Directors to prepare accounts for each financial year which give a True and Fair view of the state of the company's affairs and of the surplus for that period.

In preparing those accounts, the Directors are required to:

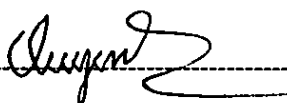
- # select suitable accounting policies and then apply them consistently;
- # make judgements and estimates that are reasonable and prudent;
- # prepare the accounts on the going concern basis unless it is appropriate to presume that the company will not continue in business.

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

They are also responsible for safeguarding the assets of the company and hence for taking steps for the prevention and detection of fraud and other irregularities.

In preparing the above report, the Directors have taken advantage of the special provisions under Part VII of the Companies Act 1985 applicable to small companies.

On behalf of the Board of Directors:



Company Secretary
Quyen Tran

Registered Office:
67 Ardwick Green North
Ardwick
Manchester, M12 6FX

Date: 20th September 2009

**ACCOUNTANTS REPORT TO THE MEMBERS OF:
MANCHESTER CHINESE CENTRE
REGISTERED CHARITY NO. 1114121, COMPANY NO. 5641623**

We report on the accounts for the year ended 31st December 2008 as set out on pages 4 to 10 which follow.

Respective Responsibilities of Directors and Reporting Accountants

As described on page 2, the Company's Directors are responsible for the preparation of the accounts and they consider that the Company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

Basis of Opinion

Our work was conducted in accordance with the Statements of Standards for Reporting Accountants, and so our procedures consisted of comparing the accounts with the accounting records kept by the Company and making such limited inquiries of the officers of the Company as we consider necessary for the purposes of this report. These procedures provide the only assurance expressed in our opinion.

In our opinion:

- a) the accounts are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985;
- b) having regard to, and on the basis of, the information contained in those accounting records:
 - 1. these accounts have been drawn up in a manner consistent with the accounting requirements specified in S249C (6) of the Act ; and
 - 2. the company satisfied the conditions for exemption from an audit of the accounts for the year specified in S249A (5) of the Act and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in section 249B(1).


Community Accountancy Service Ltd.

Date: 20TH September 2009

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED
31ST DECEMBER 2008

	Notes	2008	2007
		£	£
Operating Income	1	76,337	137,819
Administrative Expenses	3	<u>(73,879)</u>	<u>(142,589)</u>
Operating Surplus / (Deficit)	2	2,458	(4,770)
Investment Income	5	<u>66</u>	<u>158</u>
Surplus / (Deficit) before Taxation		2,524	(4,612)
Taxation on Ordinary Activities	4	-	-
Surplus / (Deficit) for the Year		<u>2,524</u>	<u>(4,612)</u>
Total Reserves Brought Forward		2,660	7,272
Total Reserves Carried Forward	13	<u>5,184</u>	<u>2,660</u>

The notes on pages 7 to 10 form part of these accounts.

BALANCE SHEET AS AT 31 DECEMBER 2008

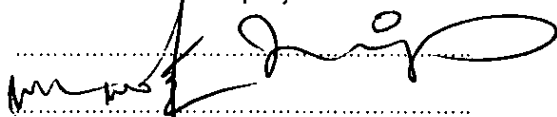
	Notes	2008 £	2007 £
FIXED ASSETS			
Tangible Fixed Assets	9	1,652	2,202
CURRENT ASSETS			
Debtors	10	708	1,335
Cash at Bank and in Hand		<u>5,209</u>	<u>4,757</u>
		5,917	6,092
LIABILITIES:			
Amounts falling due within one year	11	<u>(2,385)</u>	<u>(5,634)</u>
NET CURRENT ASSETS		3,532	458
		<u>5,184</u>	<u>2,660</u>
ACCUMULATED FUNDS			
Restricted	13	310	-
Unrestricted - General	13	<u>4,874</u>	<u>2,660</u>
		<u>5,184</u>	<u>2,660</u>

These accounts have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities, (effective January 2007).

For the year in question the company was entitled to the exemption conferred by Section 249A(2) of the Companies Act 1985 and that no notice has been deposited under Section 249B(2); and the directors also acknowledge their responsibilities for:

- ensuring that the company keeps accounting records that comply with section 221;
- preparing accounts which give a true and fair view of the state of the company's affairs as at the end of the financial year and of its surplus or deficit for the financial year in accordance with the requirements of the Companies Act 1985 relating to the accounts, so far as applicable to the company.

Approved on behalf of the Company's Board of Directors:



Director Jenny Wong

Director Cindy Mok

Date: 20th September 2009

The notes on pages 7 to 10 form part of these accounts

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2008**

				Year Ended 31.12.08	Year Ended 31.12.07
INCOMING RESOURCES	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds £	Total Funds £
Incoming Resources from Generated Funds					
<i>Voluntary Income:</i>					
Donations		660	-	660	18,814
Fundraising		631	-	631	-
Donation In Kind		-	10,000	10,000	22,898
<i>Activities for Generating Funds:</i>					
Tuition Fees		31,158	-	31,158	34,327
Events & Workshops		14,209	-	14,209	17,654
Membership		3,241	-	3,241	3,049
Room Hire		5,216	-	5,216	1,764
Costumes		50	-	50	40
Book Sales & Other Income		2,210	-	2,210	-
Bank Deposit Interest		66	-	66	158
Incoming Resources from Charitable Activities					
<i>Grants:</i>					
Community Foundation for Gtr Manchester		-	-	-	11,110
Lloyds TSB		-	-	-	15,386
MCC Youth Panel		-	-	-	2,500
MCC BME Funding		-	-	-	477
MCC YOF		-	-	-	9,800
Awards for All		-	5,140	5,140	-
Comic Relief		-	3,822	3,822	-
TOTAL INCOMING RESOURCES		57,441	18,962	76,403	137,977
Charitable Expenditure	3	(34,837)	(8,312)	(43,149)	(95,329)
Support Costs	3	(18,552)	(10,340)	(28,892)	(45,286)
Governance Costs	3	(1,838)	-	(1,838)	(1,974)
TOTAL RESOURCES EXPENDED	3	(55,227)	(18,652)	(73,879)	(142,589)
NET MOVEMENT IN FUNDS		2,214	310	2,524	(4,612)
Reconciliation of Funds					
Total Funds Brought Forward		2,660	-	2,660	7,272
Transfers between Funds		-	-	-	-
TOTAL FUNDS CARRIED FORWARD	13	4,874	310	5,184	2,660

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

The notes on pages 7 to 10 form part of these accounts

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2008

1 ACCOUNTING POLICIES

The accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007), and with Statement of Recommended Practice: Accounting and Reporting by Charities issued in March 2005.

Fund Accounting

Unrestricted funds are available for use at the discretion of the directors in furtherance of the general objectives of the company.

Designated funds are unrestricted funds earmarked by the Directors for particular purposes.

Restricted funds are subjected to the restrictions on their expenditure imposed by the donor or through the terms of an appeal.

Incoming Resources

All incoming resources are included in the statement of financial activities when the organisation is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Fee, grant and investment income are reflected in the accounts when receivable. Grants which relate to a specified future period are deferred.

Donations, gifts and other income are reflected in the accounts when received.

In addition monies received for specific purposes are set aside as "restricted funds". General monies may be designated by the Directors for a particular use.

Resources Expended

All expenditure other than that capitalised has been recognised on an accruals basis as the liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

Costs of generating funds comprises the costs associated with attracting voluntary income.

Charitable expenditure comprises those costs incurred by the company in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the company and include the accountancy fees and costs linked to the strategic management of the charity.

All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis as set out in Note 3.

Fixed Assets

Fixed assets are stated at cost less accumulated depreciation. The costs of minor additions or those costing below £500 are not capitalised. Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life, as follows:

Fixtures & Equipment	3 years
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Pensions

The organisation does not operate a pension scheme.

2 OPERATING SURPLUS (DEFICIT)

	2008	2007
	£	£
Operating Surplus/(Deficit) is stated after charging :		
Reporting Accountants Charges	1,230	1,234

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2008

3 TOTAL RESOURCES EXPENDED

	Method of Allocation	Tutoring & Other Activities	Total 2008	Total 2007
Charitable Expenditure		£	£	£
Tutors	Direct	32,162	32,162	42,373
Tutors Expenses	Direct	-	-	18,070
Travelling Expenses	Direct	103	103	719
Volunteer Expenses	Direct	418	418	665
Teaching Materials	Direct	-	-	4,137
Exam Fees	Direct	1,484	1,484	-
CRB Checks & Work Permits	Direct	-	-	213
Publicity & Promotion	Direct	3,763	3,763	-
Venue Hire	Direct	2,392	2,392	-
Interpreters	Direct	629	629	-
Publications & Subscriptions	Direct	348	348	1,959
Catering	Direct	1,045	1,045	587
Costumes	Direct	-	-	1,978
Activities	Direct	490	490	24,628
Donation- China Earthquake	Direct	315	315	-
		<u>43,149</u>	<u>43,149</u>	<u>95,329</u>
Support Costs				
Rent & Business Tax (incl refund)	Direct	15,602	15,602	24,692
Heat, Light & Water	Direct	2,516	2,516	3,214
Telephone	Direct	937	937	948
Cleaning	Direct	526	526	197
Printing, Postage & Stationery	Direct	3,593	3,593	3,014
Insurance	Direct	1,265	1,265	953
Repairs, Renewals & Maintenance	Direct	2,573	2,573	4,234
Computer & Internet Expenses	Direct	292	292	-
Minor Equipment	Direct	130	130	465
Depreciation	Direct	550	550	550
Sundry	Direct	908	908	7,019
		<u>28,892</u>	<u>28,892</u>	<u>45,286</u>
Governance Costs				
Accountancy	Direct	1,230	1,230	1,363
Payroll Bureau Charges	Direct	189	189	175
Professional Fees	Direct	281	281	231
Bank Charges	Direct	138	138	205
		<u>1,838</u>	<u>1,838</u>	<u>1,974</u>
		<u>73,879</u>	<u>73,879</u>	<u>142,589</u>

4 TAXATION

The organisation is exempt from income tax by reason of its charitable status.

Income tax suffered on investment income is reclaimed in full.

The organisation is not registered for Value Added Tax.

5 INVESTMENT INCOME

	Total 2008	Total 2007
	£	£
Bank Interest Receivable	<u>66</u>	<u>158</u>

6 STAFF COSTS

	£	£
Total Staff Costs:		
Tutor	9,000	13,500
Social Security Costs	811	1,227
Freelance Tutors	<u>22,351</u>	<u>27,646</u>
	<u>32,162</u>	<u>42,373</u>

No employee earned £60,000 p.a. or more, and no director was paid any remuneration.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2008

7 CAPITAL COMMITMENTS

Contracted for but not provided	<u>£ nil</u>	<u>£ nil</u>
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8 TRUSTEES' REMUNERATION AND EXPENSES

No remuneration, directly or indirectly out of the funds of the charity, was paid or payable, during the period, to any trustee or to any persons known to be connected with any of them.

Apart from that shown below, no reimbursement of expenses has been made or is due to be made to any of the trustees in respect of the period.

One trustee Mrs J. Wong was paid for £8,000 for rent of the premises for part of the year. The other part of the year the premises was donated free of charge to a value of £10,000.

9 TANGIBLE FIXED ASSETS

	Fixtures & Equipment	Total
	£	£
Cost		
At 01.01.08	2,752	2,752
Additions	-	-
Disposals	-	-
At 31.12.08	<u>2,752</u>	<u>2,752</u>
Accumulated Depreciation		
At 01.01.08	550	550
Charge	550	550
Eliminated on Disposals	-	-
At 31.12.08	<u>1,100</u>	<u>1,100</u>
Net Book Value		
At 31.12.08	<u>1,652</u>	<u>1,652</u>
At 31.12.07	<u>2,202</u>	<u>2,202</u>

10 DEBTORS

	2008	2007
	£	£
Prepayments	708	1,335
	<u>708</u>	<u>1,335</u>

11 LIABILITIES: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2008	2007
	£	£
Other Creditors	783	-
Accruals	1,602	5,634
	<u>2,385</u>	<u>5,634</u>

12 CONTINGENT LIABILITIES

	2008	2007
	£	£
At 31 December	-	-

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2008

13	MOVEMENT IN FUNDS	Balance at 31.12.07	Incoming	Transfers	Outgoing	Balance at 31.12.08
		£	£	£	£	£
	RESTRICTED FUNDS					
	Awards for All	-	5,140	-	(5,140)	-
	Comic Relief	-	3,822	-	(3,512)	310
	Donation In Kind	-	10,000	-	(10,000)	-
		-	18,962	-	(18,652)	310
	UNRESTRICTED FUNDS					
	General	2,660	57,441	-	(55,227)	4,874
		2,660	57,441	-	(55,227)	4,874
	TOTAL FUNDS	2,660	76,403	-	(73,879)	5,184

Details re funds:

Awards for All

Comic Relief

Contributions towards:

- for adult learners of English

- for activities

14	ANALYSIS OF NET ASSETS BETWEEN FUNDS	Tangible Fixed Assets £	Net Current Assets £	Total £
	RESTRICTED FUNDS	-	310	310
	UNRESTRICTED FUNDS	1,652	3,222	4,874
		1,652	3,532	5,184

15 COMPANY STATUS

The charitable company is limited by guarantee and all members have agreed to contribute a sum not exceeding £10 in the event of a winding up.