

MANCHESTER CHINESE CENTRE

COMPANY REGISTRATION NUMBER: 5641623
REGISTERED CHARITY NUMBER: 1114121

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2007

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



MANCHESTER CHINESE CENTRE

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2007**

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DIRECTORS' ANNUAL REPORT (CONTINUED)

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ACCOUNTANTS

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

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

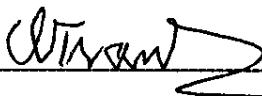
- # select suitable accounting policies and then apply them consistently,
- # make judgements and estimates that are reasonable and prudent,
- # prepare the accounts on the going concern basis unless it is appropriate to presume that the company will not continue in business

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 23rd September 2008

**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 2007 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*

Community Accountancy Service Ltd

Date 23rd September 2008

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED
31ST DECEMBER 2007

	Notes	2007	2006
		£	£
Operating Income	1	137,819	86,213
Administrative Expenses	3	(142,589)	(78,963)
Operating Surplus / (Deficit)	2	(4,770)	7,250
Investment Income	5	158	22
Surplus / (Deficit) before Taxation		(4,612)	7,272
Taxation on Ordinary Activities	4	-	-
Surplus / (Deficit) for the Year		(4,612)	7,272
Total Reserves Brought Forward		7,272	-
Total Reserves Carried Forward	13	2,660	7,272

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

BALANCE SHEET AS AT 31 DECEMBER 2007

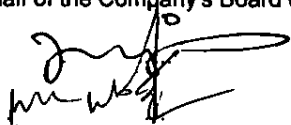
	Notes	£	2007	£	2006	£
FIXED ASSETS						
Tangible Fixed Assets	9			2,202		-
CURRENT ASSETS						
Debtors	10	1,335			1,302	
Cash at Bank and in Hand		<u>4,757</u>			<u>7,196</u>	
		6,092			8,498	
LIABILITIES						
Amounts falling due within one year	11	<u>(5,634)</u>			<u>(1,226)</u>	
NET CURRENT ASSETS				458		7,272
				<u>2,660</u>		<u>7,272</u>
ACCUMULATED FUNDS						
Restricted	13			-		3,509
Unrestricted - General	13			<u>2,660</u>		<u>3,763</u>
				<u>2,660</u>		<u>7,272</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(1) 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 23rd September 2008

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

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2007**

				Year Ended 31 12 07	Period Ended 31 12 06
INCOMING RESOURCES	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds £	Total Funds £
Incoming Resources from Generated Funds					
<i>Voluntary Income</i>					
Donations		18,814	-	18,814	18,415
Donation In Kind		-	22,898	22,898	21,585
<i>Activities for Generating Funds</i>					
Tuition Fees		34,327	-	34,327	24,017
Events & Workshops		17,654	-	17,654	5,548
Membership		3,049	-	3,049	853
Room Hire		1,764	-	1,764	610
Costumes		40	-	40	400
Bank Deposit Interest		158	-	158	22
Incoming Resources from Charitable Activities					
<i>Grants</i>					
Funding Change		-	-	-	400
Community Foundation for Gtr Manchester		-	11,110	11,110	1,235
Lloyds TSB		-	15,386	15,386	-
MCC Youth Panel		-	2,500	2,500	-
MCC BME Funding		-	477	477	-
MCC YOF		-	9,800	9,800	-
Awards for All		-	-	-	4,850
Playscheme		-	-	-	980
Sports Relief		-	-	-	4,135
Impact Fund		-	-	-	2,897
Sundry Income		-	-	-	288
TOTAL INCOMING RESOURCES		75,806	62,171	137,977	86,235
Charitable Expenditure	3	(44,746)	(50,583)	(95,329)	(34,515)
Support Costs	3	(18,893)	(26,393)	(45,286)	(41,848)
Governance Costs	3	(1,974)	-	(1,974)	(2,600)
TOTAL RESOURCES EXPENDED	3	(65,613)	(76,976)	(142,589)	(78,963)
NET MOVEMENT IN FUNDS		10,193	(14,805)	(4,612)	7,272
Reconciliation of Funds					
Total Funds Brought Forward		3,763	3,509	7,272	-
Transfers between Funds		(11,296)	11,296	-	-
TOTAL FUNDS CARRIED FORWARD	13	2,660	-	2,660	7,272

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 2007

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

The charity has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cashflow statement

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)

	2007	2006
	£	£
Operating Surplus/(Deficit) is stated after charging		
Reporting Accountants Charges	1,234	1,175

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2007

3 TOTAL RESOURCES EXPENDED

	Method of Allocation	Tutoring & Other Activities	Total 2007	Total 2006
Charitable Expenditure		£	£	£
Tutors	Direct	42,373	42,373	19,403
Tutors Expenses	Direct	18,070	18,070	-
Travelling Expenses	Direct	719	719	366
Volunteer Expenses	Direct	665	665	4,175
Teaching Materials	Direct	4,137	4,137	4,426
CRB Checks & Work Permits	Direct	213	213	-
Publications & Subscriptions	Direct	1,959	1,959	2,752
Catering	Direct	587	587	1,298
Costumes	Direct	1,978	1,978	591
Activities	Direct	24,628	24,628	1,504
		<u>95,329</u>	<u>95,329</u>	<u>34,515</u>
Support Costs				
Rent & Business Tax	Direct	24,692	24,692	22,796
Heat, Light & Water	Direct	3,214	3,214	2,091
Telephone	Direct	948	948	1,708
Cleaning	Direct	197	197	-
Waste Disposal	Direct	1,563	1,563	-
Printing, Postage & Stationery	Direct	3,014	3,014	6,136
Insurance	Direct	953	953	615
Repairs, Renewals & Maintenance	Direct	2,671	2,671	4,902
Minor Equipment	Direct	465	465	3,335
Depreciation	Direct	550	550	-
Sundry	Direct	7,019	7,019	265
		<u>45,286</u>	<u>45,286</u>	<u>41,848</u>
Governance Costs				
Accountancy	Direct	1,363	1,363	1,175
Payroll Bureau Charges	Direct	175	175	-
Professional Fees	Direct	231	231	1,419
Bank Charges	Direct	205	205	6
		<u>1,974</u>	<u>1,974</u>	<u>2,600</u>
		<u>142,589</u>	<u>142,589</u>	<u>78,963</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 2007	Total 2006
	£	£
Bank Interest Receivable	<u>158</u>	<u>22</u>

6 STAFF COSTS

	£	£
Total Staff Costs		
Tutor	13,500	-
Social Security Costs	1,227	-
Freelance Tutors	<u>27,646</u>	<u>19,403</u>
	<u>42,373</u>	<u>19,403</u>

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

7 CAPITAL COMMITMENTS

Contracted for but not provided	<u>£ nil</u>	<u>£ nil</u>
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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2007

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 paid for purchases for the charity amounting to £22,898
Mrs Wong would like this to be treated as a donation to the charity

9 TANGIBLE FIXED ASSETS

	Fixtures & Equipment	Total
	£	£
Cost		
At 01 01 07	-	-
Additions	2,752	2,752
Disposals	-	-
At 31 12 07	<u>2,752</u>	<u>2,752</u>
Accumulated Depreciation		
At 01 01 07	-	-
Charge	550	550
Eliminated on Disposals	-	-
At 31 12 07	<u>550</u>	<u>550</u>
Net Book Value		
At 31 12 07	<u>2,202</u>	<u>2,202</u>
At 31 12 06	<u>-</u>	<u>-</u>

10 DEBTORS

	2007	2006
	£	£
Prepayments	1,335	1,302
	<u>1,335</u>	<u>1,302</u>

11 LIABILITIES AMOUNTS FALLING DUE WITHIN ONE YEAR

	2007	2006
	£	£
Accruals	5,634	1,226
	<u>5,634</u>	<u>1,226</u>

12 CONTINGENT LIABILITIES

	2007	2006
	£	£
At 31 December	<u>-</u>	<u>-</u>

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2007

13	MOVEMENT IN FUNDS	Balance at 31 12 06	Incoming	Transfers	Outgoing	Balance at 31 12 07
		£	£	£	£	£
	RESTRICTED FUNDS					
	Community Foundation for Gr M/cr	-	11,110	703	(11,813)	-
	Lloyds TSB	-	15,386	-	(15,386)	-
	MCC Youth Panel	-	2,500	703	(3,203)	-
	Sports Relief	3,509	-	-	(3,509)	-
	MCC BME Funding	-	477	-	(477)	-
	MCC YOF	-	9,800	9,890	(19,690)	-
	Donation In Kind	-	22,898	-	(22,898)	-
		<u>3,509</u>	<u>62,171</u>	<u>11,296</u>	<u>(76,976)</u>	<u>-</u>
	UNRESTRICTED FUNDS					
	General	3,763	75,806	(11,296)	(65,613)	2,660
		<u>3,763</u>	<u>75,806</u>	<u>(11,296)</u>	<u>(65,613)</u>	<u>2,660</u>
	TOTAL FUNDS	<u>7,272</u>	<u>137,977</u>	<u>-</u>	<u>(142,589)</u>	<u>2,660</u>

Details re funds	Contributions towards
Community Foundation for Gr M/cr	- for activities
Lloyds TSB	- for community drop in centre
MCC Youth Panel	- for youth work
Sports Relief	- for badminton and sports
MCC BME Funding	- for school
MCC YOF	- for youth work

14	ANALYSIS OF NET ASSETS BETWEEN FUNDS	Tangible Fixed Assets £	Net Current Assets £	Total £
	RESTRICTED FUNDS	-	-	-
	UNRESTRICTED FUNDS	2,202	458	2,660
		<u>2,202</u>	<u>458</u>	<u>2,660</u>

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