

Company number: 02137427

Charity Number: 518992

Centre for Chinese Contemporary Art Ltd

Report and financial statements

For the year ended 31 March 2020



Centre for Chinese Contemporary Art Ltd  
Reference and administrative information  
for the year ended 31 March 2020

**Company number** 02137427

**Charity number** 518992

**Registered office and operational address**

Market Buildings, Thomas Street, Northern Quarter, Manchester, M4 1EU

**Trustees** Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Peter Mearns	Chair (retired 17 <sup>th</sup> May 2019)
Lisa Yam	Chair (from 17 <sup>th</sup> May 2019)
Menaka Munro	Vice Chair
Graham Wiley	Treasurer (from 17 <sup>th</sup> May 2019)
Caesar Hao He	(retired 21 <sup>st</sup> February 2020)
Tessa Jackson	
Allan Walker	
Patrick Alexander	
James Turner	
Kwong Lee	
Christopher Lau	(from 22 <sup>nd</sup> November 2019)
Nicholas Buckley-Wood	(from 22 <sup>nd</sup> November 2019)
Ros Holmes	(from 22 <sup>nd</sup> November 2019)
Susan Lok	(from 22 <sup>nd</sup> November 2019)

No trustees held title to property belonging to the charity during the reporting period or at the date of approval

**Key management personnel**

Zoe Dunbar	Director and Company Secretary
Hannah Hartley	Operations Manager (to 8 <sup>th</sup> June 2019)
James Byrom	Operations Manager (from 2 <sup>nd</sup> July 2019)
Margaret Hobbs	Finance Manager

**Bankers** CAF Bank Ltd, 25 Kings Hill Ave, Kings Hill, West Malling, Kent ME19 4JQ

**Auditors** Slade & Cooper Limited  
Greenfish Resource Centre, 46-50 Oldham St, Manchester, M4 1LE

# Centre for Chinese Contemporary Art Ltd

## Trustees' annual report

for the year ended 31 March 2020

The trustees present their report and the audited financial statements for the year ended 31 March 2020. Included within the trustees' report is the directors' report as required by company law.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

### **Objectives and activities**

The charity's objectives are to advance the education of the public in contemporary Chinese arts and culture and to support such charitable purposes as the association may determine. The charity does this by promoting and enhancing Chinese arts and culture within the UK.

The trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

Centre for Chinese Contemporary Art (CFCCA) commissions and exhibits Chinese contemporary art work of the highest artistic quality. CFCCA also provides residency opportunities for artists of Chinese descent and delivers an extended programme, including education, through its touring exhibitions, agency and consultancy work. CFCCA presents a rolling programme of innovative exhibitions, residencies and events for which admission is free. CFCCA also provides advice, information and a programme of talent development; nurturing innovation and brokering opportunities for creative exchange and professional development opportunities for UK graduates and local, national and international emerging and established artists and curators.

The staff regularly contribute to the wider cultural scene of the North West and beyond by presenting talks at public venues and within Higher Education institutions. As a site for useful research, the organisation brings expertise to an increasing number of academics, artists and curators, providing insight and engagement with Chinese visual culture through writing, events and conferences, its collection of Chinese contemporary art and the Asia Research Network for Arts and Media (ARNAM).

Over 2019–20 CFCCA worked to the following corporate objectives as outlined in the 2018-22 business plan. This document was agreed by Arts Council England in January 2018 in order to fulfil the funding conditions of National Portfolio Organisations.

**Programme excellence:** to support talent development and originate, present and promote exceptional contemporary art, exploring Chinese culture in the Chinese Century in partnership with national and international partners.

**Engagement:** to use Chinese contemporary art and culture to create meaningful encounters between artists, audiences and participants; exploring creativity and ideas to facilitate social and personal change and to sustain and build audience.

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**International:** to originate national and international partnerships which strengthen UK links with East Asia and promote innovation, exchange and diversity.

**Research:** to research and exchange ideas on Chinese contemporary art and Chinese culture, shaping trans-cultural debate in the Chinese Century.

**Finance:** to ensure CFCCA continues to build a resilient business model – diversifying income streams, increasing organisational effectiveness and growing reserves year on year. To appoint a dedicated development / fundraiser in 2017 and build in fundraising responsibilities into staff posts.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

### Activities

The Centre for Chinese Contemporary Art performed the following activities across its public programme over 2019-20. The total unique visitors recorded at CFCCA for the year was 41,503 showing a marked increase on the previous year's figures of 38,961 despite the closure of the gallery due to the COVID-19 pandemic in March.

The figures below show attendance for individual exhibitions; the total is greater than the number of unique visitors as exhibitions run concurrently and some visitors will have visited more than once.

### Onsite activity

Project / Exhibition / Artist	Activity	Date	Total attendance
Chinternet Ugly	Exhibition	8 February – 11 May 2019	11327
He Xiangyu The Lemon Project	Exhibition	17 May – 21 July 2019	6016
Rage Collective	Exhibition	17 May – 21 July 2019	6016
Future Cities: Technopolis and Everyday Life	Exhibition	July – October 2019	11236
Jui Society Lost in Shenzhen	Exhibition	July – October 2019	11236
Cheng Ran Diary of a Madman the Manchester Plan	Exhibition	October 2019 – January 2020	8482
Cui Jie From Satellite to Space Station	Exhibition	October 2019 – January 2020	8482
Ho Tzu Nyen Critical Dictionary of South East Asia	Exhibition	January – April 2020	6966 (closed early due to COVID)

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Rae Yen Song May May Songu	Exhibition	January – April 2020	6966 (closed early due to COVID)
Ting Ting Cheng	Artist Residency	15 May 2019 – 14 June 2019	22 (open studio event)
Donald Shek	Artist Residency	16 June 2019 – 5 July 2019	25 (open studio event)
Andrew Luk	Artist Residency	15 July 2019 – 31 August 2019	135 (open studio event)
Dorothy Cheung	Artist Residency	January – March 2020	0 (open studio event)
A Window On: He Xiangyu	Talk	30 May 2019	5
International Archives Day	Event	9 June 2019	33
A Turn Away From Debates that are not concluded	Performance	13 June 2019	22
Minecraft Architecture Workshop	Workshop	18 August 2019	12
The Future of Manchester	Panel discussion	29 August 2019	60
Archive Poetry Workshop	Workshop	7 September 2019	12
CFCCA Open Heritage Day	Event	14 September 2019	-
Thursday Late: Urban Future on Film	Film Screening	26 September 2019	10
Urban Cultural Sci-Fi workshop	Workshop	12 October 2019	12
Smartphone Film Making Workshop	Workshop	2 November 2019	24
Thursday Late: Urban Cultural Sci-Fi Reading	Reading	28 November 2019	9
<b>TOTAL</b>			<b>77,108</b>

\*This does not include engagement related events and onsite project activity with community organisations and youth groups.

**Offsite activity**

<b>Project / Exhibition / Artist</b>	<b>Activity</b>	<b>Date</b>	<b>Total attendance</b>
Bahar Noorizadeh	Artist Residency	15 July 2019 – 31 August 2019 (Hong Kong)	0
Elephant West and Edouard Malingue panel discussion	Panel discussion	13 April 2019	30
A Cinematic of the Everyday	Workshop (Nanjing)	23 and 24 April 2019	70
Transcultural Research and Curatorial Practice	Symposium	17 May 2019	60

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Lets Get Digital: Working with Business records	Talk	3 July 2019	28
Archiving the Contemporary	Talk	9 July 2019	25
Digital Matters	Talk	13 November 2019	50
Art and Architecture Summit, Singapore	Talk	22 November 2019	80
<b>TOTAL</b>			<b>343</b>

### Achievements and performance

The charity's main activities and who it tries to help are described below. All its charitable activities focus on promoting and enhancing Chinese arts and culture in within the UK and are undertaken to further Centre for Chinese Contemporary Art's charitable purposes for the public benefit.

#### Key Objectives for 2019-20

1. To continue to raise our national profile, extend audience reach and strengthen our sector leadership through delivery of high profile projects
2. To increase meaningful learning and engagement opportunities, increasing access to arts and culture for more diverse audiences
3. To promote artistic development and support talent development in all areas related to Chinese contemporary art practice
4. To strengthen CFCCA's position as a site for useful research, growing strategic higher education partnerships
5. To increase organisational resilience and diversification of income

#### Achievements and performance against objectives:

##### **1. To continue to raise our national profile, extend audience reach and strengthen our sector leadership through delivery of high profile projects**

2019-20 saw CFCCA continue to deliver a high quality public programme to a wide and diverse audience, raising our profile through a series of onsite and offsite projects. Highlights included a solo exhibition of artist Ho Tzu Nyen listed as one of the most influential artists in the global contemporary art world by Art Review and He Xiangyu who in the same month as his CFCCA exhibition was selected to represent China in the Venice Biennale.

We launched the year with our *Protest* season with April seeing the closing weeks of *Chinternet Ugly*, a group exhibition exploring the messy vitality of China's online

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platforms. This was an incredibly successful exhibition that captured the public's imagination drawing in over 11,000 visitors across 3 months and included a new commission with a rising star in digital and internet art, Miao Ying. The exhibition was launched across Chinese New Year which continues to provide an important platform for CFCCA to raise its profile, extend its reach and drive a higher footfall of visitors to both on and offsite projects. This year saw us again complete a successful collaboration with events management company CityCo, retail outlet Manchester Arndale Shopping Centre and the Manchester City Library connecting with over 1,000 participants.

Under the same season, *Chinternet Ugly* was followed by a solo retrospective of works by He Xiangyu. *The Lemon Project* was the first showcase of this project in the UK, a collaboration with White Cube gallery it secured us an exemplary peer review from the Arts Council independent assessors. This was accompanied by a new work by artists Rage Collective on our Gallery 2 space. July saw the launch of our Future Cities season exploring themes of art and architecture with *Future Cities: Technopolis and Everyday Life* and *Lost in Shenzhen* by artist collective Jui Society. The *Future Cities* season was incredibly successful bringing in over 11,000 visitors into the galleries for the duration of the exhibitions. A new co-commission with artist Cheng Ran and digital art platform Videoclub in collaboration with the University of Salford Art Collection followed in our Gallery 1 space alongside a retrospective of paintings by artist Cui Jie.

We closed the year with the beginning of our *Diaspora* season with artist Rae Yen Song's *May May Songu* and a showcase of *The Critical Dictionary of Southeast Asia* by Ho Tzu Nyen. Unfortunately both of these exhibitions were closed 6 weeks early due to the COVID-19 pandemic enforcing closure of the gallery. The pandemic saw a refocus of priorities in March 20 with two key objectives, for CFCCA to find new ways to engage its audiences through online and digital content while continuing to support artists at an extremely challenging time for the sector.

2019-20 has also seen CFCCA lead on a programme for creative and cultural exchange between UK and Hong Kong funded by ACE and the GREAT campaign in collaboration with the University of Salford and Open Eye Gallery. Unfortunately a delegation visit we planned for December was cancelled due to political unrest in Hong Kong and a further trip in March was postponed due to the COVID-19 pandemic. We are now working towards developing a digital platform and festival including Hong Kong and UK cultural partners.

We have also taken a leading role in the development of MANCCC, the Manchester Network for Cultural and Creative Collaboration with China. With Manchester City Council and British Council we initiated this network to co-ordinate and amplify the cities' work with China. Unfortunately a City to City Residency Exchange programme co-ordinated by MANCCC for delivery in early 2020 has been postponed due to COVID-19.

## **2. To increase meaningful learning and engagement opportunities, increasing access to arts and culture for more diverse audiences**

Throughout 2019-20 we continued to deliver a series of accessible talks, workshops and engagement opportunities for a diverse audience.

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With support from The National Lottery Community Fund we began delivery of our *Dumpling Social Club* programme in June 2019. A programme to support older members of the Manchester Chinese community struggling with isolation, this project has been incredibly successful bringing together over 150 older people to eat, make art and share conversation. Following the COVID pandemic we have continued this work through digital channels.

This year we also continued to deliver our popular *Youthlab* programme, a unique and dynamic youth project for 14-21 year olds. 2019-20 saw us start our *Greening the City* project with the group. Funded by C-Change the programme saw participants learn about climate change and sustainability, supporting local businesses to think differently about waste through upcycling.

We also continued our partnership with the North West Comino Creative Consortium, the Ideas Foundation, and Manchester Metropolitan University (MMU) to deliver the Cultural Digital Designers in Residence (CDDIR) programme building on the successes of 2018-19.

Through our events and engagement programme we continue to deliver a series of talks and unique events to support audiences to better understand Chinese contemporary art and culture. This included delivery of the 'Window On' talks series, 'Film Focus' film screenings and various workshops and artistic performances through our 'Thursday Lates' strand. Highlights of this programme included a Minecraft workshop for young people, panel discussion on the future of architecture in Manchester and a film making workshop. Unfortunately our events programme for March had to be cancelled and postponed due to COVID-19.

Chinese New Year is an important time for the centre to attract new audiences and extend its reach into the Manchester community. January 2019 saw us deliver a series of family friendly artist-led workshops in Manchester Arndale shopping centre to coincide with our onsite exhibitions with artists Rae Yen Song and Ho Tzu Nyen. The exhibitions received over 3,000 visitors during February and we connected with over 1,000 people through offsite activity during the Chinese New Year weekend.

### **3. To promote artistic development and support talent development in all areas related to Chinese contemporary art practice**

CFCCA continues to provide talent development opportunities and strongly supports the progression and understanding of Chinese Contemporary Art. Through 2019-20 we delivered our unique artists-in-residence programme, providing important talent development opportunities for artists from across the world in our purpose built, onsite residency suite.

This year has seen us work with artists including Ting Ting Cheng, Donald Shek, Andrew Luk and Dorothy Cheung. The residency programme has provided a unique opportunity for Chinese artists to live, work and develop their practice in the UK for the first time while also delivering domestic and international opportunities for artists based in the UK through new residency strands supporting local graduates and NW based artists.

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CFCCA continued to develop institutional relationships across China to enable residency exchanges to support local and wider UK based artists. This year we delivered a new exchange partnership with Hong Kong based digital arts organisation Videotage which saw CFCCA receive artist Andrew Luk and UK artist Bahar Noorizadeh go to Hong Kong. We also launched a residency with British Council Hong Kong which through an open call selected Hong Kong based artist Dorothy Cheung to travel to the UK. Dorothy's project to capture stories of older Chinese migrants within Manchester was unfortunately cut short as she had to return to Hong Kong early due to the pandemic.

#### **4. To strengthen CFCCA's position as a site for useful research, growing strategic higher education partnerships**

During 2019-20 we further developed the Asia Research Network for Arts and Media (ARNAM), a joint initiative with University of Salford, University of Manchester and Manchester Metropolitan University. This unique initiative is an interdisciplinary and intercultural network for the teaching, learning and research of Asia and its global diaspora. The Network provides a home, identity and strategic support for the high quality transcultural work undertaken by the founding organisations and their national and international partners, in the fields of arts and media. This year ARNAM delivered *Transcultural Research and Curatorial Practice* a symposium curated in collaboration with Inside Out Gallery in China which included a diverse range of well-respected international curators.

Our strong partnership with University of Salford continues with the growth of our Collection of Chinese Contemporary Art over the year including new commissions from artists Miao Ying and Cheng Ran.

Our Senior Curator was invited to speak about our Future Cities exhibition at the Singapore Art and Architecture Summit while CFCCA's Archivist delivered two papers at specialist conferences *Archiving the Contemporary* and *Let's Get Digital* focusing on our ground breaking work in managing a contemporary archive.

Work on our archive and library facility continued this year with our onsite Archivist continuing to catalogue and digitise items for researchers to access via our online or onsite facilities. This is a unique resource which is the only one of its kind in Europe and cements CFCCA's position as leaders in the field of Chinese contemporary art. This year not only did we deliver talks about our work with the archive at specialist conferences but also led an Archive Open Day.

#### **5. To increase organisational resilience and diversification of income**

CFCCA remains aware of the risks associated with a financial reliance on Arts Council England through its NPO status and over 2019-20 has continued to work hard to identify larger and more diverse income streams in line with the objectives outlined in the centre's fundraising and commercial income strategy. Over the year we continued to make good

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progress in substantially reducing our percentage reliance on this core funding although we fell just short of our target at year end due partly to COVID – 19 with a 59% reliance compared with a target of 56%.

The organisational restructure brought added capacity for fundraising seeing a Development and Marketing Manager and also Business Development Co-ordinator support the Director with work in this area. CFCCA saw good fundraising success in 2019-20 with support from organisations to include British Council, Garfield Weston Foundation, C-Change, Art Fund and Manchester Airport. We were also successful in securing a further two year grant for core funding from the Greater Manchester Combined Authority Culture Fund. Although the income obtained is slightly lower than 2018-19, the success rates on applications was higher.

Our commercial offer has also grown over the year seeing us exceed our income targets for both the venue hire and retail offer onsite. We saw a 31% increase in profits year on year from our shop and 30% increase on profit through our venue hire despite the impact of COVID-19 towards the end of the year. Despite our success with income generation this year, austerity and also limited capacity for fundraising remains a key risk area with the impacts of the coronavirus pandemic bringing uncertainty over income generation for the coming year.

CFCCA has continued to develop the resilience of the organisation through a staff restructure and also effective governance over the year. A review of CFCCA's organisational structure was delivered in early 2019 to create a structure that reflects the ambitions and priorities of the 2018-2020 Business Plan and provide the Director with management support to allow development of significant funding initiatives and strategic partnerships necessary for the future resilience of CFCCA. This process concluded in August 2019 with the integration of 3 discrete teams and a new management structure enabling growth in all areas of CFCCAs work.

The CFCCA Board continues to provide robust and effective governance. Several Board members came to the end of their terms this year seeing us recruit new members to the Board bringing the total to 12. With new Board members now in place in these key roles we look forward to harnessing their skills and experience to support the organisations charitable purposes going forwards.

Our risk register and resilience strategy continue to be reviewed at the quarterly Finance and HR committee meetings to ensure we mitigate organisational risk going forwards.

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## **Financial review**

### **Context**

CFCCA generated support from a wide range of sources across the year including co-commissioning, support from government agencies in artists' home countries, and funding from higher education institutions. Growing support from Trusts and Foundations also enabled the range of activities within the programme to be developed, boosting the profile of both CFCCA and the artists involved and driving increased PR activity and footfall to site.

Expanding and re-structuring the staff team has improved our offerings, both charitable and commercial. The conjunction of this with savings on administrative costs, vacant posts, careful budget management and securing substantial funds to cover core costs again enabled us to end the year with a small surplus, despite the downturn in income in the final months, and the un-anticipated expenditure on IT equipment for working from home, due to the impact of the developing COVID-19 situation. Our healthy position offers some security as we face the challenges of the coming year and the need to re-evaluate and re-design activities, while maintaining the necessary level of reserves. This level has been quantified in the Reserves policy.

CFCCA is grateful for the ongoing UK investment in culture, particularly the recent uplift in ACE funding to counterbalance inflation. Nevertheless the organisation is continuing efforts to diversify income streams, in line with its fundraising and commercial income strategy.

### **Risk management**

We have a track record of operating within budget and delivering appropriate budget planning factoring in inflation and depreciation. Financial expertise at Board and Sub-committee level provides scrutiny on a quarterly basis. As an organisation we continue to enable staff to take a collective responsibility in ensuring financial management procedures are maintained.

The Finance and Human Resources Sub-committee reviews the risk register on a quarterly basis to assess the risks to which the charity is exposed, in particular those relating to the charity's specific operational areas, investments and finances. Major risks and actions to mitigate them are discussed by the full Board of Trustees. Trustees aim to ensure that CFCCA has established effective systems to mitigate risks by ensuring that controls exist over key financial systems and by examining the operational and business risks faced by the charity.

The specific risks of the coronavirus outbreak surrounding the day-to-day running as well as the future of the organisation have been considered during the regular Board meetings, which have supported the Director in decisions such as the closure of the site. This has been supplemented by weekly meetings between the Management Team and Treasurer, and significant decisions where necessary being made by agreement with the Chair and Vice Chair out of meeting.

### **Reserves policy**

CFCCA has a reserves policy, reviewed annually by trustees, which aims to hold an unrestricted reserve to cover approximately three months' running costs. The 'Reserves Policy' Fund which reflects this is reviewed annually so that it is more clear what reserves are

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available for ongoing expenditure. The value calculated for this reserve at this review was £110,612, including provisions of £26,102 against foreseeable future deficits due to the effect of inflation and the impact of the coronavirus situation on the available MGETR claim for the year ahead. This gives stability as the organisation revises and develops ambitious programmes due to the current situation. In the light of this policy and revised projections of income and expenditure for the coming year, the trustees are satisfied that the current general unrestricted reserve of £4,244, possibly supported by the release of the provisions above, is sufficient. Total reserves at the year end were £595,855, of which the total restricted funds were £51,043.

Various grants and other support are awarded to support specific areas of activity and as such are treated as Restricted income. All balances of grant income awarded in 2019-20 relating to ongoing activity in future years is committed for expenditure in 2020-21.

In addition CFCCA holds funds previously designated for Capital Maintenance and for Research and Development. The Capital Maintenance fund was not called on in 2019-20. The Research and Development fund is to support both exhibition research and developing fundraising and business initiatives; it was not called on in 2019-20. At the end of 2019-20 these designated funds totalled £37,231.

In addition the residual value of the lease on our current building, valued at £392,725, is held in a further designated fund.

### **Key Management Personnel**

During 2018-19 an external consultant was engaged to review the organisation's staff roles, structure and remuneration, to reflect the ambitions and priorities of the 2018-2020 Business Plan. It sought to provide the Director with a management support structure that allows the development of significant funding initiatives and strategic partnerships necessary for the future resilience of CFCCA. The recommendations resulted in a new management structure, offering devolved responsibility and greater opportunities for progression, and a banded salary structure which reflects both the level of responsibility and decision-making and the experience and contribution each team member brings to the role. Within this structure the Key Management Personnel are identified as the Director and Finance Manager, who form the 'Executive'. They join with the Operations Manager, Senior Curator, and Development & Marketing Manager to form the 'Management Team'. These changes have taken effect in the current financial year (2019-20) following consideration by the Finance & HR Committee and approval by the Board. The pay of key management personnel will follow this agreed banding structure until amendment approved by the Board.

### **Plans for the future**

Over 2017-18 CFCCA secured its position as a National Portfolio Organisation for 4 years (2018-2022) and ACE has recently extended this to 2023 providing a strong and stable foundation for the organisation to continue its charitable activities over the coming years. The organisational restructure of 2019 also provides a sound basis for CFCCA to increase the scale, reach and ambition of its work with added capacity around profile development, marketing and fundraising.

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As we look to the tail end of this NPO funding round and 10 years after the organisations re-brand, the Board of Trustees agreed to a re-visioning project for the centre in December 2019 the aim being to re-assess CFCCAs mission, vision and values to ensure it is fit for purpose going forwards. Plans for this 6 month process have been delayed due to the COVID-19 pandemic but it looks certain to be concluded by May 2021.

Over the next few years, CFCCA aims to grow its leadership role nationally. We are taking the lead on *MANCCC* the Manchester Network for Cultural and Creative Exchange with China jointly supported by the British Council and Manchester City Council, supporting cultural organisations from the city region with ambitions of working with China. We are also leading on a cultural exchange project supported by ACE and GREAT campaign though the planned visual arts delegation to Hong Kong had to be postponed firstly due to political unrest and further by the coronavirus pandemic. It is hoped nevertheless that this work will be able to progress during 2020-21.

As well as growing our national profile, supporting cultural democracy locally will remain a key area of focus, creating greater access to international arts and culture for communities on our doorstep. We will build on the existing initiatives of 2019-20 to grow our work with the Manchester Chinese community and also with harder to reach young people. We will also build further strands to the programme to enable opportunities for local artists, providing talent development opportunities across all areas to support a greater diversity of artists. Clearly these plans are impacted by the current health and safety constraints, but we have changed programmes to be delivering as much as we can online through initiatives such as digital residencies and new digital commissions for artists.

Diversification of income streams will remain a key area of focus over the coming years, though we anticipate 2020-21 being a year of famine in this respect, and are grateful to our existing funders for their commitments to continue funding and also to relax some of the funding requirements. We continue to pursue and revise an ambitious Fundraising and Commercial Income Strategy. The brand refresh and visioning programme planned to push the national reach and profile of CFCCA has inevitably been delayed by current events, but we hope to have this reaching conclusions by the end of the financial year. We are taking advantage of the enforced reduced activity to review and plan for a new future, while we will look to further grow and diversify the audiences through our doors and the artists and partners with which we work.

During the current pandemic we have had to close the gallery, and staff are working from home or furloughed. We are however continuing with some programmes and have deferred others. Where cancellations have had to occur we have honoured artist fees and materials costs and intend to continue supporting artists and the community as far as we are able. Staff (both working and furloughed) and volunteers are encouraged to engage socially on a weekly basis, and the impact of the transition to working from home is being monitored on a personal basis. In terms of income, although we will continue to pursue opportunities this year, we anticipate a shrinkage in the available funds from Sponsors, Donations, Trusts and Foundations due to the economic downturn and the uncertainty of the current situation, as well as much reduced commercial income, but are making use of the government furlough scheme to mitigate these losses. We plan to re-open hopefully by Autumn 2020, subject to government guidance and in co-ordination with other arts organisations in Manchester, and in

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the meantime to continue to deliver online commissions and programme while reassessing our fundraising and commercial income objectives in response to the current situation. Re-opening will of course involve significant planning of visitor and staff safety and movement within the building, and our location in the city centre means that we will also have to take into account issues such as transport. We anticipate significantly reduced visitor numbers and income over the coming year.

#### **Structure, governance and management**

The organisation is a charitable company limited by guarantee, incorporated on 4 June 1987 and registered as a charity on 24 June 1987.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2020 was 12 (2019: 7). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 12 to the accounts.

The existing trustees review membership of the Board and all sub-committees to ensure that a range of strengths, interests and experience are represented. To strengthen key areas as well as to maintain numbers as members retire in accordance with our articles of association, recruitment takes place periodically using a combination of advertisement and targeted approaches. Shortlisted applicants are interviewed and references sought. Appointment to posts on the Board is by election, annually or as required. Induction and training is offered, depending on the individual's experience and the role's requirements. During 2019-20 there were a number of changes to the Board membership, and we are developing under the leadership of our new Chair, and building on the opportunities opened up by the Board membership.

Sub-committees, consisting of a sub-set of Board members agreed annually by the Board, meet quarterly to allow detailed discussion of matters relating to HR & Finance and to the Artistic Programme. These make recommendations for approval by the full Board which also meets quarterly.

Day to day management of CFCCA is delegated to the Director, Zoe Dunbar, Director, who liaises regularly with the Chair and with other trustees as appropriate.

#### **Volunteer programme**

CFCCA runs a successful volunteer programme, which makes a positive contribution to the running and development of the organisation and aims more widely to develop skills within the arts sector. Volunteers often contribute to a rota of 4-hour shifts across a 6-day week. Primarily their role is customer-facing, greeting visitors to the building and providing information about our programme and events but we aim to provide a structured and rounded experience with each staff member contributing to volunteer support and development in core

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areas of the organisation. In 2019-20 we appointed a Front of House Assistant whose role included supporting and training volunteers, and we have seen a significant impact on operations and satisfaction, and have attempted to continue supporting volunteers during the lockdown. We also again took on more structured short-term volunteer roles in both the Library and Archive and Curatorial teams. Across the year we had 26 volunteers working with us, contributing an estimated total of 3,220 working hours. No economic valuation of volunteers' contribution is included in the accounts, but their involvement is crucial and is greatly appreciated.

In addition we often accommodate student placements and work experience requests. During 2019-20 we provided unique opportunities for young people in Higher Education. This included 2 University of Manchester students through their ICP placements programme who worked with us as Library and Archive Assistants alongside another placement with the University of Chester from August to September. We also welcomed a student from the University of Leicester MA, Museum Studies programme into a curatorial placement at the gallery from July – September and two one-week year 10 work experience placements from Abraham Moss School and Co-op Academy in July. We also delivered two curatorial placement this year for MA students from MMU.

For the second year running, CFCCA also supported an externally funded traineeship for a young person not currently in education or employment from Brussels, Belgium, in partnership with Actiris International who also supported us as an Archive and Library Assistant.

### **Related parties and relationships with other organisations**

Professor Allan Walker, who joined the Board in August 2015, is Dean of the School of Arts & Media at the University of Salford. CFCCA has various links with the University of Salford including the Collection of Chinese Contemporary Art, specific events relating to our exhibition programme, and collaborative work on future funding bids associated with the Asia Research Network for Arts and Media (ARNAM). Professor Walker is not directly involved in either the selection of items to purchase from artists for the Collection or the allocation or approval of budgets which may support our exhibition programme, but does play a role in the financial and academic support of our part-time Research Curator.

### **Statement of responsibilities of the trustees**

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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

# Centre for Chinese Contemporary Art Ltd

## Trustees' annual report

for the year ended 31 March 2020

- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

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 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 auditors are unaware
- 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 auditors are 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.

### Auditors

Slade & Cooper Ltd were appointed as the charitable company's auditors in 2016 and have expressed their willingness to act in that capacity.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime of the Companies Act 2006.

The trustees' annual report has been approved by the trustees on 17<sup>th</sup> July 2020 and signed on their behalf by



Lisa Yam

Chair of Trustees

Independent auditors' report  
to the members of the Centre for Chinese Contemporary Art Ltd

**Opinion**

We have audited the financial statements of the Centre for Chinese Contemporary Art Ltd (the 'charitable company') for the year ended 31 March 2020, which comprise the Statement of Financial Activities (including the income and expenditure account), the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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. Our audit work has been undertaken so that we might state to the charitable company's members those matters 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 anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2020, and of its 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.

**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 the 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.

## Independent Auditor's Report (continued)

### 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 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 trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. 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' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

## Independent Auditor's Report (continued)

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

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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' exemptions in preparing the Trustees' Annual Report and from the requirement to prepare a strategic report.

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 16, 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 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 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**

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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

## Independent Auditor's Report

(continued)

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

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 to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members and its trustees those matters 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 anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Catherine Hall FCCA DChA

Senior Statutory Auditor

for and on behalf of

Slade & Cooper Limited  
Statutory Auditors  
Green Fish Resource Centre  
46-50 Oldham Street  
Manchester  
M4 1LE

Date: 24<sup>th</sup> August 2020

Centre for Chinese Contemporary Art Ltd  
Statement of Financial Activities  
(including Income and Expenditure account)  
for the year ended 31 March 2020

	Note	Unrestricted funds £	Restricted funds £	Total funds 2020 £	Total funds 2019 £
<b>Income from:</b>					
Donations and legacies	3	1,482	-	1,482	1,386
Charitable activities					
Educating the public in contemporary Chinese arts and culture	4	359,567	65,170	424,737	452,140
Other trading activities	5	59,274	-	59,274	50,285
Investments	6	818	-	818	760
<b>Total income</b>		<b>421,141</b>	<b>65,170</b>	<b>486,311</b>	<b>504,571</b>
<b>Expenditure on:</b>					
Raising funds	7	81,501	-	81,501	66,440
Charitable activities					
Educating the public in contemporary Chinese arts and culture	8	319,464	71,833	391,297	400,385
<b>Total expenditure</b>		<b>400,965</b>	<b>71,833</b>	<b>472,798</b>	<b>466,825</b>
<b>Net income/(expenditure) for the year</b>	10	<b>20,176</b>	<b>(6,663)</b>	<b>13,513</b>	<b>37,746</b>
Transfer between funds		-	-	-	-
<b>Net movement in funds for the year</b>		<b>20,176</b>	<b>(6,663)</b>	<b>13,513</b>	<b>37,746</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		524,636	57,706	582,342	544,596
<b>Total funds carried forward</b>		<b>544,812</b>	<b>51,043</b>	<b>595,855</b>	<b>582,342</b>

The statement of financial activities includes all gains and losses recognised in the year.  
All income and expenditure derive from continuing activities.

Centre for Chinese Contemporary Art Ltd  
Company number 2137427

Balance sheet as at 31 March 2020

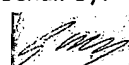
	Note	2020	2019
		£	£
<b>Fixed assets</b>			
Tangible assets	15	392,725	393,974
<b>Current assets</b>			
Stock		6,981	7,116
Debtors	16	31,990	23,234
Cash at bank and in hand	17	201,906	209,718
<b>Total current assets</b>		<b>240,877</b>	<b>240,068</b>
<b>Liabilities</b>			
Creditors: amounts falling due in less than one year	18	(37,747)	(51,700)
<b>Net current assets</b>		<b>203,130</b>	<b>188,368</b>
<b>Total assets less current liabilities</b>		<b>595,855</b>	<b>582,342</b>
<b>The funds of the charity:</b>			
Restricted income funds	20	51,043	57,706
Unrestricted income funds	21	544,812	524,636
<b>Total charity funds</b>		<b>595,855</b>	<b>582,342</b>

These accounts are prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The notes on pages 24 to 38 form part of these accounts.

Approved by the trustees on 17th July 2020 and signed on their behalf by:

  
Lisa Yam (Chair)

  
Graham Wiley (Treasurer)

Centre for Chinese Contemporary Art Ltd  
Statement of Cash Flows  
for the year ending 31 March 2020

	Note	2020 £	2019 £
<b>Cash provided by/(used in) operating activities</b>	25	<b>(8,630)</b>	<b>40,716</b>
<i>Cash flows from investing activities:</i>			
Dividends, interest, and rents from investments		818	760
Purchase of tangible fixed assets		-	(2,500)
<b>Cash provided by/(used in) investing activities</b>		<b>818</b>	<b>(1,740)</b>
Increase/(decrease) in cash and cash equivalents in the year		(7,812)	38,976
Cash and cash equivalents at the beginning of the year		209,718	170,742
<b>Cash and cash equivalents at the end of the year</b>		<b>201,906</b>	<b>209,718</b>

## Centre for Chinese Contemporary Art Ltd

### Notes to the accounts for the year ended 31 March 2020

#### **1 Accounting policies**

The principal accounting policies adopted, judgments and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

##### **a Basis of preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), second edition - October 2019 (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006 and UK Generally Accepted Accounting Practice.

Centre for Chinese Contemporary Art Ltd meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

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

The trustees have considered a number of possible scenarios in depth and consider that there are no material uncertainties about the charitable company's ability to continue as a going concern. The trustees have made no key judgments which have a significant effect on the accounts.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next reporting period.

## Centre for Chinese Contemporary Art Ltd

### Notes to the accounts for the year ended 31 March 2020 (continued)

#### **c Income**

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of a provision of a specified service is deferred until the criteria for income recognition are met.

#### **d Donated services and facilities**

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised; refer to the trustees' annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

#### **e Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

#### **f Fund accounting**

Unrestricted funds are available to spend on activities that further any of the purposes of charity.

Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. In particular, these include the Building Fund (representing the value of the building held on the Balance Sheet which would not be available to the charity in the event of winding up due to the lease on the property held by ACE) and the Reserves Policy Fund (which provides for approximately 3 months' running costs and for anticipated fluctuations in funding which might otherwise threaten the stability of ongoing operation).

Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

## Centre for Chinese Contemporary Art Ltd

### Notes to the accounts for the year ended 31 March 2020 (continued)

#### **g Expenditure and irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of commercial trading including the shop and room hire, and associated support costs.
- Expenditure on charitable activities includes the costs of exhibitions, education work, curating and residencies undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

#### **h 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 charity's 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 9.

#### **i Operating leases**

Operating leases are leases in which the title to the assets, and the risks and rewards of ownership, remain with the lessor. Rental charges are charged on a straight line basis over the term of the lease.

#### **j Tangible fixed assets**

Individual fixed assets costing £500 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

IT equipment	50%
Other equipment	25%

In 2016 the trustees reconsidered the useful economic life of the building which had previously been estimated at 20 years, and agreed that in fact a more realistic life was 50 years.

The trustees also reconsidered the estimated residual value of the leasehold property, and have come to the conclusion that it is in excess of the current net book value. Because of this, no depreciation has been charged in the current period.

## Centre for Chinese Contemporary Art Ltd

### Notes to the accounts for the year ended 31 March 2020 (continued)

#### **k Stock**

Stock is included at the lower of cost or net realisable value. In general, cost is determined on a first in, first out basis. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving, and defective stocks.

#### **l Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

#### **m Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

#### **n Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

#### **o Financial instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

#### **p Pensions**

The charity introduced automatic enrolment in a pension scheme by the applicable staging date of 1st February 2017. Employees of the charity are entitled to join a defined contribution 'money purchase' scheme. The charity's contribution is restricted to the contributions disclosed in note 11. There were no outstanding contributions at the year end.

## **2 Legal status of the charity**

The charity is a company limited by guarantee registered in England and Wales and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The registered office address is disclosed on page 1.

Centre for Chinese Contemporary Art Ltd

Notes to the accounts for the year ended 31 March 2020 (continued)

**3 Income from donations and legacies**

<b>Current reporting period</b>	<b>Unrestricted £</b>	<b>Restricted £</b>	<b>Total 2020 £</b>
Donations	1,482	-	1,482
			<b>Total 2019</b>
Donations	1,386	-	1,386

**4 Income from charitable activities**

	<b>Unrestricted £</b>	<b>Restricted £</b>	<b>Total 2020 £</b>
Arts Council of England: Revenue grant	287,481	-	287,481
Manchester City Council: Economic Regeneration Fund: Global Cities Cultural Partnership	- -	- 1,900	- 1,900
Greater Manchester Council Big Lottery Fund	35,000 -	- 24,806	35,000 24,806
British Council: Curatorial Grant ManCCC Global Cities project HK Artist in residence project	- - -	2,500 4,000 4,634	2,500 4,000 4,634
Education workshop and performance Co-commissioning/ sponsorship income	175 -	- 7,000	175 7,000
Partnership Funding Exhibition Income	22,571 14,321	6,214 14,116	28,785 28,437
In-kind Support Other income	- 19	- -	- 19
<b>Total</b>	<b>359,567</b>	<b>65,170</b>	<b>424,737</b>

Centre for Chinese Contemporary Art Ltd

Notes to the accounts for the year ended 31 March 2020 (continued)

<b>Income from charitable activities 2018</b>	<b>Unrestricted £</b>	<b>Restricted £</b>	<b>Total 2019 £</b>
<i>Arts Council of England:</i>			
Revenue grant	287,481	-	287,481
<i>Manchester City Council:</i>			
Economic Regeneration Fund: Global Cities	-	23,276	23,276
Neighbourhood Innovation Fund	-	2,000	2,000
Greater Manchester Council	35,000	-	35,000
Big Lottery Fund	-	12,403	12,403
Hong Kong Economic and Trade Office	-	4,000	4,000
British Council	-	15,000	15,000
Education workshop and performance	470	13,500	13,970
Co-commissioning/ sponsorship income	5,600	-	5,600
Partnership Funding	14,350	21,000	35,350
Exhibition Income	17,299	-	17,299
In-kind Support	320	-	320
Other income	441	-	441
<b>Total</b>	<b>360,961</b>	<b>91,179</b>	<b>452,140</b>

**5 Income from other trading activities**

	<b>2020 £</b>	<b>2019 £</b>
Shop Income	15,134	12,491
Room Hire	40,172	36,014
Fundraising	968	1,391
Consultancy	3,000	389
	<b>59,274</b>	<b>50,285</b>

All income from other trading activities is unrestricted.

**6 Investment income**

	<b>2020 £</b>	<b>2019 £</b>
Income from bank deposits	818	760

All of the charity's investment income arises from money held in interest bearing deposit accounts. All investment income is unrestricted.

Centre for Chinese Contemporary Art Ltd

Notes to the accounts for the year ended 31 March 2020 (continued)

**7 Cost of raising funds**

	2020 £	2019 £
Direct expenditure	11,473	12,634
Staff costs	59,559	48,418
Premises	4,260	4,505
Adjustment to stock valuation	(135)	(3,858)
Support costs (see note 9)	6,344	4,741
	<u>81,501</u>	<u>66,440</u>

All expenditure on cost of raising funds is unrestricted.

The value of stock recognised as an expense is £7,040 (2019: £3,351)

**8 Analysis of expenditure on charitable activities**

	2020 £	2019 £
Staff costs	154,939	154,315
Exhibition programme	124,421	116,144
Exhibition programme: in kind	-	320
Marketing	23,389	36,896
Depreciation (see note 15)	1,249	3,694
Premises	52,545	55,566
Governance costs (see note 9)	17,410	17,772
Support costs (see note 9)	17,344	15,678
	<u>391,297</u>	<u>400,385</u>
Restricted expenditure	71,833	56,923
Unrestricted expenditure	319,464	343,462
	<u>391,297</u>	<u>400,385</u>

**9 Analysis of governance and support costs**

	Basis of apportionment	Support £	Governance £	Total 2020 £
Staff costs	Time spent	-	7,883	7,883
Office costs	Time spent	23,688	-	23,688
Audit and accountancy	Governance	-	4,100	4,100
Legal and professional	Governance	-	1,762	1,762
Trustees expenses	Governance	-	1,078	1,078
Board costs	Governance	-	1,674	1,674
Governance other costs	Governance	-	913	913
		<u>23,688</u>	<u>17,410</u>	<u>41,098</u>

Centre for Chinese Contemporary Art Ltd

Notes to the accounts for the year ended 31 March 2020 (continued)

Analysis of governance and support costs 2018				Total 2019
Staff costs	Time spent	-	5,812	5,812
Office costs	Time spent	20,419	-	20,419
Audit and accountancy	Governance	-	3,900	3,900
Legal and professional	Governance	-	1,579	1,579
Trustees expenses	Governance	-	2,523	2,523
Board costs	Governance	-	2,005	2,005
Governance other costs	Governance	-	1,953	1,953
		20,419	17,772	38,191

**10 Net income/(expenditure) for the year**

This is stated after charging/(crediting):	2020 £	2019 £
Depreciation	1,249	3,695
Operating lease rentals:		
Other	543	543
Auditor's remuneration - audit fees	3,600	3,500
Auditor's remuneration - accountancy fees	440	400
	<u>          </u>	<u>          </u>

**11 Staff costs**

Staff costs during the year were as follows:	2020 £	2019 £
Wages and salaries	206,968	195,209
Social security costs	11,979	10,882
Pension costs	3,434	2,454
	<u>222,381</u>	<u>208,545</u>

**Allocated as follows:**

Cost of raising funds	59,559	48,418
Charitable activities	154,939	154,315
Governance costs	7,883	5,812
	<u>222,381</u>	<u>208,545</u>

No employee has employee benefits in excess of £60,000 (2019: Nil).

The average number of staff employed during the period was 12 (2019: 18).

The average full time equivalent number of staff employed during the period was 8.7 (2019: 8.1).

The key management personnel of the charity comprise the trustees, the Director, the Operations Manager, and the Finance Manager. The total employee benefits of the key management personnel of the charity were £89,483 (2019: £92,651).

Centre for Chinese Contemporary Art Ltd

Notes to the accounts for the year ended 31 March 2020 (continued)

**12 Trustee remuneration and expenses, and related party transactions**

Neither the management committee nor any persons connected with them received any remuneration or reimbursed expenses during the year (2019: Nil).

Four members of the management committee received travel and subsistence expenses during the year of £1,078 (2019: £2,601).

Aggregate donations from related parties were Nil (2019: £Nil).

There are no donations from related parties which are outside the normal course of business. There were no restricted donations from related parties, other than as detailed below.

Professor Allan Walker is a trustee of the charity and is Dean of School at the University of Salford. No additional funding was received this year from the University of Salford in support of partnership activity (2019: £20,400). Remaining balances of restricted donations were used to support the Research Curator post for 1.5 months, and £4,500 was contributed for the commission of a work by Cheng Ran for his exhibition - see note 20. No other trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity, including guarantees, during the year (2019: nil).

**13 Government grants**

The government grants recognised in the accounts were as follows:

	2020 £	2019 £
Arts Council	287,481	287,481
Manchester City Council	1,900	25,276
Greater Manchester Combined Authority	35,000	35,000
British Council	11,134	15,000
	<hr/>	<hr/>
	335,515	362,757

The unfulfilled conditions and contingencies attaching to the grants were:

1. in respect of the MCC grant, completion of delivering the C-Change Youthlab pilot scheme, held up by the COVID-19 breakout
2. in respect of the British Council, completion of the HK artist residency, rearrangement of Curator travel plans cancelled, and continuation of the MANCCC Global Cities project, each of which was disrupted by the COVID-19 breakout.

All of these are being rearranged within timescales agreed with funders.

**14 Corporation tax**

The charity is exempt from tax on income and gains falling within Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

However a Corporation tax return was submitted in the year and recovered £13,756 in a claim for Exhibitions Tax Relief which is included in Exhibitions Income for the year (2019: £16,795).

Centre for Chinese Contemporary Art Ltd

Notes to the accounts for the year ended 31 March 2020 (continued)

**15 Fixed assets: tangible assets**

<b>Cost</b>	<b>Leasehold Property £</b>	<b>Equipment £</b>	<b>Total £</b>
At 1 April 2019	1,679,138	9,555	1,688,693
Additions	-	-	-
Disposals	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 March 2020	1,679,138	9,555	1,688,693
	<hr/>	<hr/>	<hr/>
<b>Depreciation</b>			
At 1 April 2019	1,286,413	8,306	1,294,719
Charge for the year	-	1,249	1,249
Disposals	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 March 2020	1,286,413	9,555	1,295,968
	<hr/>	<hr/>	<hr/>
<b>Net book value</b>			
At 31 March 2020	392,725	-	392,725
	<hr/>	<hr/>	<hr/>
At 31 March 2019	392,725	1,249	393,974
	<hr/>	<hr/>	<hr/>

**16 Debtors**

	<b>2020 £</b>	<b>2019 £</b>
Other debtors & grants receivable	20,900	13,235
Trade debtors	3,020	2,806
Prepayments and accrued income	8,070	7,193
	<hr/>	<hr/>
	31,990	23,234
	<hr/>	<hr/>

**17 Cash at bank and in hand**

	<b>2020 £</b>	<b>2019 £</b>
Short term deposits	178,508	158,372
Cash at bank and on hand	23,398	51,346
	<hr/>	<hr/>
	201,906	209,718
	<hr/>	<hr/>

Centre for Chinese Contemporary Art Ltd

Notes to the accounts for the year ended 31 March 2020 (continued)

**18 Creditors: amounts falling due within one year**

	2020 £	2019 £
Trade creditors	4,183	17,260
Other creditors and accruals	16,064	34,440
Deferred income	17,500	-
	<hr/>	<hr/>
	37,747	51,700
	<hr/>	<hr/>

**19 Deferred income**

	As at 1 April 2019 £	Grant received £	Released in year £	As at 31 March 2020 £
GMCA two year funding for 20/21 to 21/22	-	17,500	-	17,500
	<hr/>	<hr/>	<hr/>	<hr/>
	-	17,500	-	17,500
	<hr/>	<hr/>	<hr/>	<hr/>

Centre for Chinese Contemporary Art Ltd

Notes to the accounts for the year ended 31 March 2020 (continued)

**20 Analysis of movements in restricted funds**

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2020 £
British Council & AAMC Curatorial grants	-	8,263	(4,887)		3,376
British Council HK Artist in Residence programme	-	4,634	(1,189)		3,445
VideoClub support for Cheng Ran exhibition	-	7,000	(7,000)		-
University of Salford: Research Curator	6,775		(6,775)		-
MANCC network: British Council and MCC Global Cities project	28,770	4,451	(15,342)		17,879
Universities of Salford, Manchester & MMU: ARNAM	6,732		(6,461)		271
Ernest Cooke: Aquatopia workshops	1,546		(1,546)		-
University of Cambridge: Future Cities Exhibition	-	14,116	(14,116)		-
Big Lottery Fund plus MCC Neighbourhood Innovation fund: Dumpling Socials project	12,403	24,806	(11,837)		25,372
Big Lottery Fund/Peter Kershaw Trust: Youthlab	416		(416)		-
MAST C-Change Pilot scheme	-	1,900	(1,200)		700
Baring Foundation In-Kind support	1,064		(1,064)		-
	-				-
<b>Total</b>	<b>57,706</b>	<b>65,170</b>	<b>(71,833)</b>	<b>-</b>	<b>51,043</b>

Centre for Chinese Contemporary Art Ltd

Notes to the accounts for the year ended 31 March 2020 (continued)

**Analysis of movements in restricted funds - continued**

**Analysis of movements in restricted funds 2018**

	Balance at 1 April 2018 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2019 £
Heritage Lottery Fund	5,175		(5,175)		-
University of Salford: Research British Council and MCC Economic Regeneration Fund grant: Global Cities project	6,775	12,000	(12,000)		6,775
Universities of Salford, Manchester & MMU: ARNAM projects	-	38,276	(9,506)		28,770
Ernest Cooke: Aquatopia	-	9,000	(2,268)		6,732
HKETO: Kingsley Ng exhibition	-	2,000	(454)		1,546
Big Lottery Fund plus MCC Neighbourhood Innovation fund: Dumpling Socials Big Lottery Fund/Peter Kershaw Trust: Youthlab	-	4,000	(4,000)		-
Manchester Science Festival (MOSI)	-	14,403	(2,000)		12,403
Superbia	10,000	1,500	(11,084)		416
Baring Foundation In-Kind support	500		(500)		-
	1,000		(1,000)		-
	-	10,000	(8,936)		1,064
	-				-
<b>Total</b>	<b>23,450</b>	<b>91,179</b>	<b>(56,923)</b>	<b>-</b>	<b>57,706</b>

Centre for Chinese Contemporary Art Ltd

Notes to the accounts for the year ended 31 March 2020 (continued)

**Analysis of movements in restricted funds - continued**

<b>Name of restricted fund</b>	<b>Description, nature and purposes of the fund</b>
Curatorial Grants from British Council and AAMC British Council HK Artist in Videoclub Grant University of Salford: Research Curator	Grants to fund curatorial research trips to the USA, China and Singapore. Grant to fund a HK artist in residence in the CFCCA Residency To support the commission and exhibition of a work by Cheng Ran Support for 0.4 fte Research Curator. On the termination of this post, UoS agreed to the transfer of £4,500 of the balance on this fund to support the Cheng Ran exhibition, and the remaining balance to contribute to the costs of hosting University students for an event at CFCCA Support for Global Cities project
MANCC Network: A collaboration involving the British Council and MCC with some funding given via Universities of Salford, Manchester & MMU	Support for ARNAM projects
Ernest Cooke	Support for Aquatopia schools projects
University of Cambridge: Future Big Lottery Fund & MCC	Support for Future Cities exhibition
Neighbourhood Innovation fund	Support for Manchester Community 'Dumpling Social' Project
Big Lottery Fund & Peter Kershaw	Grants to continue project for young people's advisory board
MAST C-Change pilot scheme	Grant to support youth project
Baring Foundation	Grant to support Manchester Arts & Health projects

**21 Analysis of movement in unrestricted funds**

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers £	As at 31 March 2020 £
General fund	7,511	421,141	(400,965)	(23,443)	4,244
<b>Designated funds:</b>					
Capital Maintenance Fund	8,636	-	-	-	8,636
Research and Development Fund	28,595	-	-	-	28,595
Reserves policy Fund	87,169	-	-	23,443	110,612
Building Fund	392,725	-	-	-	392,725
	<u>524,636</u>	<u>421,141</u>	<u>(400,965)</u>	<u>-</u>	<u>544,812</u>

Centre for Chinese Contemporary Art Ltd

Notes to the accounts for the year ended 31 March 2020 (continued)

**Analysis of movement in unrestricted funds 2018**

	Balance at 1 April 2018 £	Income £	Expenditure £	Transfers £	As at 31 March 2019 £
General fund	85,390	413,392	(404,102)	(87,169)	7,511
<b>Designated funds:</b>					
Capital Maintenance Fund	8,636	-	-	-	8,636
Research and Development Fund	34,395	-	(5,800)	-	28,595
Reserves policy Fund	-	-	-	87,169	87,169
Building fund	392,725	-	-	-	392,725
	<u>521,146</u>	<u>413,392</u>	<u>(409,902)</u>	<u>-</u>	<u>524,636</u>

Name of unrestricted fund	Description, nature and purposes of the fund
General fund	The free reserves after allowing for all designated funds
Capital Maintenance Fund	To deal with building maintenance and equipment needed in future years.
Research and Development Fund	To enable staff to research new exhibitions, to develop new potential sources of income and to support new business initiatives.
Reserves Policy Fund	To enable the organisation to provide for anticipated funding fluctuations and to meet its obligations in the event of winding up.
Building fund	The building fund represents the net book value of the building which is an asset of the charity but is not available for spending on charitable activities.

**22 Analysis of net assets between funds**

	General fund £	Designated funds £	Restricted funds £	2020 Total £
Tangible fixed assets	-	392,725	-	392,725
Net current assets/(liabilities)	4,244	147,843	51,043	203,130
Total	<u>4,244</u>	<u>540,568</u>	<u>51,043</u>	<u>595,855</u>
<b>Previous reporting period</b>	<i>General fund</i>	<i>Designated funds</i>	<i>Restricted funds</i>	<i>2019 Total</i>
Tangible fixed assets	1,249	392,725	-	393,974
Net current assets/(liabilities)	12,062	118,600	57,706	188,368
Total	<u>13,311</u>	<u>511,325</u>	<u>57,706</u>	<u>582,342</u>

Centre for Chinese Contemporary Art Ltd

Notes to the accounts for the year ended 31 March 2020 (continued)

**23 Operating lease commitments**

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Equipment 2020 £	Equipment 2019 £
Less than one year	271	543
One to five years	-	271
	<u>271</u>	<u>814</u>

**24 Contingent liability**

In 2002 and 2003 the Arts Council England (ACE) granted £1,679,138 to the charity to enable it to acquire the long leasehold of its premises at Unit 2, Market Buildings, Thomas Street, Manchester, and to carry out a full refurbishment.

This grant is repayable in whole or in part if the charity changes its purpose or if the charity ceases to operate or becomes insolvent. To secure its position, ACE has a charge on the property which it has agreed to lift in 2023.

It is considered unlikely that the charity would change its purpose, cease to operate, or become insolvent, and hence unlikely that the grant will need to be repaid. This liability has therefore not been included in creditors.

**25 Reconciliation of net movement in funds to net cash flow from operating activities**

	2020 £	2019 £
<b>Net income/(expenditure) for the year</b>	13,513	37,746
<b>Adjustments for:</b>		
Depreciation charge	1,249	3,695
Dividends, interest and rents from investments	(818)	(760)
Decrease/(increase) in stock	135	(3,954)
Decrease/(increase) in debtors	(8,756)	(1,860)
Increase/(decrease) in creditors	(13,953)	5,849
<b>Net cash provided by/(used in) operating activities</b>	<u>(8,630)</u>	<u>40,716</u>