

Registered Charity Number
1042435 registered on 29 November 1994

Registered Company Number
2663906

Islington Chinese Association

Report and Accounts

31 March 2008

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**Islington Chinese Association
Report and accounts
for the year ended 31 March 2008**

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Islington Chinese Association

The report of the trustees for the year ended 31 March 2008

Introduction

The trustees present their annual report and accounts for the year ended 31st March 2008.

The directors of the charitable company (the charity) are its trustees for the purposes of charity law and throughout this report are collectively referred to as the trustees. Their responsibilities include all the responsibilities of directors under the Companies Acts and of trustees under the Charities Act.

The board of trustees are satisfied with the performance of the charity during the year and the position at 31st March 2008 and consider that the charity is in a strong position to continue its activities during the coming year, and that the charity's assets are adequate to fulfil its obligations.

The full name of the charity is Islington Chinese Association.

Name, registered office and constitution of the charity

The full name of the charity is Islington Chinese Association.

The legal registration details are :-

<i>Date of incorporation</i>	13th November 1991
<i>Company Registration Number</i>	2663906
<i>The Registered Office is</i>	33 Giesbach Road, London N19 3DA
<i>Charity Registration Number</i>	1042435 registered on 29 November 1994
<i>The telephone number is</i>	020-72635986

Objectives and Activities of the Charity

A summary of the objects of the charity as set out in its governing document.

- (a) To advance education amongst the said community in the Area through the provision and promotion of facilities for education and training;
- (b) To relieve poverty and distress arising there from amongst the said community in the Area through the provision of advisory services;
- (c) To advance the education of the public in Chinese history, tradition, science, medicine, custom, arts and way of life;
- (d) To promote racial harmony in the Area.

The charity's aims including the changes or differences it seeks to make through its activities.

ICA is committed to advancing the rights of Chinese people, both on national and global scale. Through our training and educational programmes which encourage partnerships with other community and business groups, we strive to eliminate racial imbalance and thus social injustice.

Our overall aims is to:

- Promote diversity through integration
- Challenge limitations
- Facilitate social change

Islington Chinese Association

The report of the trustees for the year ended 31 March 2008

An explanation of the charity's main objectives for the year.

An explanation of the charity's main objectives for the year:

ICA's main objectives in the year are to redevelop the current premises into a new Centre of excellence with St. John Ambulance. The new project will be a milestone in the cooperation of two major British and Chinese charities in the United Kingdom serving the wider community. First aid services, environmental health and safety training, social welfare and the promotion and education of Chinese culture will be an integral part of the future services.

An explanation of the charity's strategies for achieving its stated objectives.

A Fund-raising Committee has been formed with Col Brian Kay and Dr. Johnny Hon as the co-chairs. A charity Golf event organized by the UK Chinese Golf Association sponsored by SeeWoo Oriental Food Specialist on 5 June 2007 has raised £10,000 for the Capital Fund. Through other fundraising activities and donations, a total of £176,140 for the Capital Fund was raised up to the spring of 2008.

Details of significant activities (including its main programmes, projects, or services provided) that contribute to the achievement of the stated objectives.

Following the performance of the youth musical 'When Yellow River meets the Thames', a second musical conceived, administered and performed by the youth on 14 and 15 April 2007 at the Pentland Theatre, Arts Depot at Tally Ho Corner were well received. The production received a generous grant from the Arts Council and corporate sponsorship from Sunnyfield Vegetable Plc. Dr. Stephen Ng also completed 2/3 of the End to End Walk between Land's End to John O'Groats raised nearly £10,000 for the Capital Fund.

The unique Luncheon Club and Meals on the Wheels continue to provide a 5 days week services to the older members of the community. The Golden Walk programme and other activities to encourage a positive life style have been successfully implemented.

A Domestic Violence project had been instrumental and helpful to the vulnerable sector of the Chinese community. The 'Teens Project' children's dance and music classes on Saturday, along with the Chinese Supplementary School, have been a success in bonding ties between the children and their families. The project has eventually developed into the formation of the Children's Arts Center in which a Children's Dance Troupe, a Children's Choir and a Children's Chinese Instrumental Music group was set up. A second bilingual cook book 'Eats Healthy, Kids Happy' was published supported by Award for All.

The Fujian Project in support of the immigrants from South China funded by Lloyds TSB Foundation has been hugely successful, the group used to meet every Tuesday and Thursday afternoon at the center.

ICA works closely with Islington Social Services and other Statutory and Voluntary organizations to promote, protect and provide needy welfare services to the underprivileged and less fortunate people of the community.

Apart from the interest group activities including Tai-chi and Martial Arts, Social Dance, Table-tennis Club, ICA Singing Group, Hair Cutting, Cantonese Operatic Group, BLOOD Pressure Taking, ICA organize day trips to Brighton and other exotic places and these were all fully subscribed.

Islington Chinese Association

The report of the trustees for the year ended 31 March 2008

The Charity's grant making policies

The Charity does not give out grants.

Social or programme related investment

The charity does not make such investments.

The contribution of volunteers

Volunteers contributed immensely to the daily running and management of the Association. Their expertise and experience helped to raise the profile of the Association. Dr. Stephen Ng and Karen Kwok were both London Champions of the 2005 Year of Volunteer organized by CSV and Home Office. Dr. Ng also ran the London Marathon in 2007 and completed 2/3 of the End to End Walk raising substantial sums for the Association. Yuen Liu and Kam Shing Lam were awarded Outstanding Chinese Older People in 2006; Katy Tse-Blair was winner of the Outstanding Chinese Women Award in 2006. Mana Wong has won the 2006 Civic Award and Perry Fung in 2007 presented by the Mayor of the Borough of Islington.

Summary of main activities of the charity in relation to its objects

Achievements and Performance of the Charity

A review of charitable activities undertaken by the charity

ICA is the only Chinese charity in England being awarded the 2005 Queen's Award for Community Voluntary Service.

Fundraising activities

The Golf Event on 5 June 2007 raised £10,000, the London Lion's Club which co-organised the 2007 Dragon Boat Racing and the 10th Anniversary of the return of Hong Kong sovereignty to China contributed £1,750 to the Association.

The charity relies on grant aid from the donors identified in the accounts, whose support is highly valued.

Investment performance achieved against investment objectives set

The charity does not make material investments.

Factors relevant to the achievement of the charity's objectives

The recruitment of the services of volunteers is of paramount importance to the success of the Charity. Islington Chinese Association will continue to promote and train volunteers to achieve this goal. Stability and versatility of the trustees will also direct the association into the right direction.

Islington Chinese Association works closely with Islington Council and other statutory / voluntary agencies in providing valuable services to the vulnerable sector of the community. Financial support from the Council is vital for success of the future programmes and services.

Islington Chinese Association

The report of the trustees for the year ended 31 March 2008

Summary of the main achievements of the charity during the year

See the section of this report entitled 'Details of significant activities'.

Employment of disabled persons

The Association operated under the Equal Opportunities Policy.

Structure, Governance and Management

Nature of the Governing Document and constitution of the charity

The charity is governed by a Memorandum and Articles of Association under the regulations of the Companies Act 1985.

The charity has a board of directors, known as the management committee, which make all policy decisions relating to the charity.

The methods adopted for the recruitment and appointment of new trustees

The Management Committee members are nominated and seconded by members and elected at the Annual General Meeting. There is a quorum for the AGM governed by the constitution and memorandum of article of the Association. The tenure is for 2 years, all newly elected Management Committee members will be provided with a induction course on the duties and rules stipulated by the Charity Commission.

The policies and procedures adopted for the induction and training of trustees.

As detailed above.

The organisational structure of the charity and how decisions are made.

ICA is an independent charity. Policies and decision are discussed and passed at the Management Committee Meetings which were held on a 6-8 weeks interval.

Membership of a wider network

ICA enjoys excellent relationship with the Chinese media, Chinese businesses and maintains a high and popular profile among the Chinese community in the UK.

The major risks to which the charity is exposed and reviews and systems to mitigate risks

GOVERNANCE & MANAGEMENT

POTENTIAL RISK - Lack of Understanding of trustees roles and responsibilities, Individual trustee lacks relevant skills or commitment

POTENTIAL IMPACT - Uncertainty as to roles and duties, Individual trustee's ability in representing organisation positively, Inability to govern

STEPS TO MITIGATE RISK - Ensure trustees at risk receive training and support, Enable dialogue with chairperson to discuss risk factor, Complaints policy and procedures made accessible

Islington Chinese Association

The report of the trustees for the year ended 31 March 2008

OPERATIONAL RISKS

POTENTIAL RISK - Fundraising

POTENTIAL IMPACT - Frequency and methods, Meeting targets

STEPS TO MITIGATE RISK - Appraisal, budgeting

POTENTIAL RISK - Sustainable funding eg for services and employment of quality staff

POTENTIAL IMPACT - Low morale, Project funding pose unstable and long term staff commitment

STEPS TO MITIGATE RISK - Professional fundraising may help to tap into long term funding- establish trading arm to generate sustainable income

POTENTIAL RISK - volunteers

POTENTIAL IMPACT- lack of volunteers' involvement eg running activities, difficult to recruit quality volunteers, volunteers lack of understanding of role

STEPS TO MITIGATE RISK - complaints procedures and reviews in place, volunteers policy in place, volunteers vetting and CRB check, volunteers training in place.

POTENTIAL RISK - information technology

POTENTIAL IMPACT - competences and failure to innovate or update systems, lack of technical support,

STEPS TO MITIGATE RISK- appraisal of system needs and options, identify dedicated volunteer to provide permanent support

Relationships with other groups, charities and individuals

ICA enjoys excellent relationship with the Chinese media, Chinese business and maintains a high and popular profile among the Chinese community in the UK. ICA also works and receives grants from major and smaller Trusts and Grant-making Charities in the UK.

Financial Review

Policies on reserves

The financial review of the Association is regarded as healthy. Cheques have to be signed by 2 Trustees. Reserves are monitored by the Treasurer and the use of any reserve has to be approved by Trustees at the Committee Meeting.

Funds in deficit

Although there is a notional deficit on unrestricted funds, arising as a result of the creation of a designated fund, the trustees are satisfied that this will not cause undue problems for the following reasons:-

- a) In strict legal terms, the designated funds and the unrestricted funds can be aggregated, and it is open to the trustees at any time to undesignate the funds.
- b) The trustees are actively seeking, in the period subsequent to 31st March 2008, to generate unrestricted income, and reduce unrestricted costs, partly by seeking restricted funding for specific salaried positions. The trustees are confident that this strategy will restore the unrestricted funds to surplus over a period, without the requirement to aggregate them with the designated funds. In the course of the current year, the deficit has reduced by £15,060

Islington Chinese Association

The report of the trustees for the year ended 31 March 2008

Principal funding sources and how expenditure in the year under review has supported the key objectives of the charity.

Within the three months of establishing The Chinese Concern Project in January 2008, we have been able to achieve some of the targets according to the work plan before the end of the financial year 2007/08. The Project comprises mainly of the Befriending Programme and Care in the Home pilot service (funded by the Wates Foundation).

Although funding for The Chinese Arts & Cultural Project, funded by BBC Children In Need was received in November 2007, the groundwork was carried out between January and April 2008 by the CEO and assisted by another member of staff, while the right person to fill the post was being recruited. This was done by open recruitment followed by CRB check.

The unique Luncheon Club and Meals on the Wheels delivery continue to provide a 5 days week services to the older members and housebound users of the community. The Golden Walk programme and other health activities are still very much enjoyed by the members to enable a positive and active lifestyle.

The Domestic Violence Project has been instrumental and helpful to the vulnerable sector of the Chinese community. This will continue to provide information and support to domestic violence related victims and their children.

ICA continues to work closely with and in partnership with Islington Social Services, Primary Care Trust, Age Concern and other statutory and voluntary organisations to promote, protect and provide much needed welfare support to the underprivileged and less fortunate people of the community.

Supported by the Association of Community Based Business Advice (ACBBA) and funded by multi-agencies, the Business Advisor based at ICA provide the best possible support to Chinese and non-Chinese entrepreneurs the community, particularly those experiencing social exclusion. The BA helps to these entrepreneurs to develop their business skills, bring people together into networks and engage with other business support providers to enhance the level of support to entrepreneurs.

ICA is the only Chinese charity in England being awarded the 2005 Queen's Award for Community Voluntary Service.

Availability and adequacy of assets of each of the funds

The board of trustees is satisfied that the charity's assets in each fund are available and adequate to fulfil its obligations in respect of each fund.

Transactions and Financial position

The financial statements are set out on pages 11 to 29. The financial statements have been prepared implementing the 2005 Revision of the Statement of Recommended Practice for Accounting and Reporting by Charities issued by the Charity Commission for England and Wales (effective April 2005) and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007). As stated in the introduction to this report, the trustees consider the financial performance by the charity during the year to have been satisfactory.

The Statement of Financial Activities show net incoming resources for the year of a revenue nature of £29,850 (2007 - £ 41,749) .

Islington Chinese Association

The report of the trustees for the year ended 31 March 2008

Specific changes in fixed assets

There have been no movements in fixed assets, other than the provision for depreciation.

Share Capital

The company is limited by guarantee and therefore has no share capital

Plans for Future Periods

ICA's main objectives in the year are to redevelop the current premises into a new Centre of excellence with St. John Ambulance. The new project will be a milestone in the cooperation of two major British and Chinese charities in the United Kingdom serving the wider community. First aid services, environmental health and safety training, social welfare and the promotion and education of Chinese culture will be an integral part of the future services.

The name of the Chief Executive Officer and other senior staff member(s) to whom day to day management of the charity is delegated by the charity trustees.

Senior Staff Members:

Founder and Chief Executive Officer: Katy Tse Blair

The members of the Board of Trustees of the Charity during the year ended 31st March 2008 were :-

Committee Members:

Chairman - Dr Stephen Ng (upto 19-01-08)

- Colonel Brian Kay OBE TD DL FRSA (from 19-01-08)

Vice-Chair - Ms Susie Yau (upto 19-01-08)

- Ms Rosanna Lau (from 19-01-08)

Secretary: - Ms Ammy Cheng (upto 19-01-08)

- Dr Stephen Ng (19-01-08 to June 08)

Treasurer: - Mr Chin Sin Tham (upto 19-01-08)

- Mr Edwin Liu (from 19-01-08)

Trustees:

Mrs Mary Cheung

Ms Helena Hon (upto 19-01-08)

Mr Chun Loy So (upto 19-01-08)

Mr Hing Tsang (upto 11-03-08)

Ms Florence Mo (upto 19-03-08)

Ms Yisha Xue (from 19-01-08)

The directors are members of the company

Islington Chinese Association

The report of the trustees for the year ended 31 March 2008

The members of the Board of Trustees of the Charity at the date the report and accounts were approved were:-

Committee Members:

Chairman - Colonel Brian Kay OBE TD DL FRSA

Vice-Chair - Ms Rosanna Lau

Secretary: - Dr Stephen Ng

Treasurer: - Mr Edwin Liu

Trustees:

Mrs Mary Cheung

Ms Yisha Xue

Ms Manna Wong

Bankers

Lloyds TSB Highbury Corner Branch, 31 Holloway Road London N7 8JU

Solicitors

No solicitors are appointed.

Investment advisors

No investment advisors are appointed.

Reporting Accountants

Peter Brown FCCA

Chartered Certified Accountants

Acomb Grange

Grange Lane

York

YO23 3QZ

Islington Chinese Association

The report of the trustees for the year ended 31 March 2008

Statement of Directors' and Trustees' Responsibilities

Charity Law and the Companies Acts require the Board to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of the surplus or deficit of the charity. In preparing those financial statements the Board is required to :-

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.
- state whether applicable accounting standards and statements of recommended practice have been followed , subject to any material departures disclosed and explained in the financial statements;

The trustees are also responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which are sufficient to show and explain the charity's transactions and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

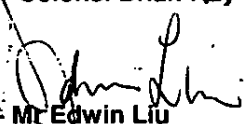
The trustees are also responsible for the contents of the trustees' report, and the responsibility of the auditors in relation to the trustees' report is limited to examining the report and ensuring that , on the face of the report, there are no inconsistencies with the figures disclosed in the financial statements.

Method of preparation of accounts

The trustees, in their capacity as directors, state that the accounts have been prepared in accordance with the special provisions in Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the board of trustees on 31st December 2008.


Chairman - Colonel Brian Kay OBE TD DL FRSA


Treasurer - Mr Edwin Liu
Director and Trustee

Islington Chinese Association Accountant's Report

**Accountant's report to the Directors and trustees
on the accounts of the Charity for the year ended 31 March 2008**

We report on the accounts of the charity which comprise the Statement of Financial Activities, the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes, as set out on pages 11 to 29. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities, effective January 2005, and in accordance with the requirements of the Statement of Recommended Practice for Accounting and Reporting issued by the Charity Commissioners for England & Wales, effective April 2005, under the historical cost convention and in accordance with the accounting policies set out in the notes to the financial statements.

Respective responsibilities of trustees as directors and of the reporting accountants

As described on page 9 the charity's trustees acting as directors are responsible for the preparation of the accounts. The directors consider that the company is exempt from the requirements of an audit and that there is no requirement in the articles of the charity for the conducting of an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

Accountant's report and opinion

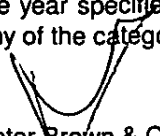
In our opinion :-

(a) The financial statements are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985 ;

(b) Having regard only to, and on the basis of, the information contained in those accounting records :

1) the financial statements have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act ;

2) the company satisfied the conditions for exemption from an audit of the financial statements for the year specified in section 249A(4) 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)


Peter Brown & Co
Chartered Certified Accountants
Acomb Grange
Grange Lane
York
YO23 3QZ

The date upon which our opinion is expressed is :-
31st December 2008

**Islington Chinese Association
Statement of Financial Activities
for the year ended 31 March 2008**

	Unrestricted Funds	Restricted Funds	Total Funds	Last Year Total Funds
Notes	2008 £	2008 £	2008 £	2007 £
Incoming resources				
<i>Incoming resources from generated funds</i>				
Voluntary Income	23,294	55,126	78,420	73,265
Activities for generating funds	12,579	13,520	26,099	72,434
Investment Income	9,013	-	9,013	5,057
<i>Incoming resources from charitable activities</i>	56,332	-	56,332	94,213
Total incoming resources	101,218	68,646	169,864	244,969
 <i>Costs of generating funds</i>				
Costs of generating voluntary income	1,026	-	1,026	53,546
Fundraising trading - costs of goods and other costs	-	-	-	-
Investment management costs	-	-	-	-
<i>Costs of charitable activities</i>	83,782	54,126	137,908	148,015
<i>Governance costs</i>	1,350	-	1,350	1,659
<i>Other resources expended</i>	-	-	-	-
Total resources expended	86,158	54,126	140,284	203,220
 Net incoming resources before transfers between funds	15,060	14,520	29,580	41,749
Gross transfers between funds	-	-	-	-
Net incoming resources before Other recognised gains and losses	15,060	14,520	29,580	41,749
 Other recognised gains and losses	-	-	-	-
Net movement in funds	15,060	14,520	29,580	41,749
 Reconciliation of funds				
<i>Total funds brought forward</i>	2,317	180,550	182,867	141,118
Total Funds carried forward	17,377	195,070	212,447	182,867

The net movement in funds referred to above is the net incoming resources as defined in the Statement of Recommended Practice for Accounting and Reporting issued by the Charity Commission for England & Wales and is reconciled to the total funds as shown in the Balance Sheet on page 15 as required by the said statement.

All activities derive from continuing operations

The notes on pages 17 to 29 form an integral part of these accounts.

**Islington Chinese Association
Statement of Financial Activities
for the year ended 31 March 2008**

**Income and Expenditure Account as required by the Companies Act
for the year ended 31 March 2008**

	2008 £	2007 £
Turnover	160,851	239,912
Direct costs of turnover	138,934	201,561
Gross surplus	<u>21,917</u>	<u>38,351</u>
Governance costs	1,350	1,659
Operating surplus	<u>20,567</u>	<u>36,692</u>
Interest receivable	9,013	5,057
Surplus on ordinary activities before tax	<u>29,580</u>	<u>41,749</u>
 Surplus for the financial year	 <u>29,580</u>	 <u>41,749</u>
 Retained surplus for the financial year	 <u>29,580</u>	 <u>41,749</u>

All activities derive from continuing operations

The notes on pages 17 to 29 form an integral part of these accounts.

**Islington Chinese Association
Statement of Financial Activities
for the year ended 31 March 2008**

**Statement of Total Recognised Gains and Losses
for the year ended 31 March 2008**

	2008	2007
Excess of Expenditure over income before realisation of assets	29,580	41,749
Profit per Profit and Loss account	29,580	41,749
Net Movement in funds before taxation	29,580	41,749

**Movements in revenue and capital funds
for the year ended 31 March 2008**

Revenue accumulated funds	Unrestricted Funds	Restricted Funds	Total Funds	Last year Total Funds
	2008	2008	2008	2007
	£	£	£	£
Accumulated funds brought forward	(22,816)	180,550	157,734	115,067
Recognised gains and losses before transfers	15,060	14,520	29,580	41,749
	(7,756)	195,070	187,314	156,816
Transfers (to)/from designated funds	-	-	-	918
Closing revenue accumulated funds	(7,756)	195,070	187,314	157,734

Designated revenue funds	Total Funds	Last year Total Funds
	2008	2007
	£	£
At 1 April	25,000	25,000
Transfer (to)/from revenue accumulated funds	-	(918)
Transfer (to)/from designated fixed asset funds	-	918
At 31 March	25,000	25,000

The purposes for which the designated funds have been established are described in the notes to the accounts

Fixed asset funds	Designated Funds	Restricted Funds	Total Funds	Last year Total Funds
	2008	2008	2008	2007
	£	£	£	£
At 1 April	133	-	133	1,051
Transfer (to)/from designated revenue funds	-	-	-	(918)
At 31 March	133	-	133	133

The purpose of the transfers between Revenue Reserves, Designated Funds and Fixed Asset Funds is described in the notes to the accounts.

The notes on pages 17 to 29 form an integral part of these accounts.

**Islington Chinese Association
Statement of Financial Activities
for the year ended 31 March 2008**

Summary of funds	Designated Funds	Unrestricted Funds	Restricted Funds	Total Funds	Last Year Total Funds
	2008	2008	2008	2008	2007
Revenue accumulated funds	-	(7,756)	195,070	187,314	157,734
Revenue designated funds	25,000	-	-	25,000	25,000
Fixed asset funds	133	-	-	133	133
Total funds	25,133	(7,756)	195,070	212,447	182,867

The statement of changes in resources applied for fixed assets for Charity use is shown in the notes to the accounts

The notes on pages 17 to 29 form an integral part of these accounts.

**Islington Chinese Association
Balance Sheet
as at 31 March 2008**

	Notes	2008 £	2007 £
<i>The assets and liabilities of the charity :</i>			
Fixed assets			
Tangible assets	9	2,551	133
Total fixed assets		<u>2,551</u>	<u>133</u>
Current assets			
Debtors	10	2,858	5,291
Cash at bank and in hand		225,853	192,906
Total current assets		<u>228,711</u>	<u>198,197</u>
Creditors:-			
amounts due within one year	11	(18,815)	(15,463)
Net current assets		<u>209,896</u>	<u>182,734</u>
Total assets less current liabilities		<u>212,447</u>	<u>182,867</u>
Creditors:-			
amounts due after more than one year		-	-
Provisions for liabilities and charges		-	-
Net assets		<u>212,447</u>	<u>182,867</u>
<i>The funds of the charity :</i>			
Unrestricted income funds			
Unrestricted revenue accumulated funds		(7,756)	(22,816)
Designated revenue funds		25,000	25,000
Unrestricted capital funds			
Designated fixed asset funds		133	133
Total unrestricted funds		<u>17,377</u>	<u>2,317</u>
Restricted income funds			
Restricted revenue accumulated funds		195,070	180,550
Restricted capital funds			
Restricted revaluation reserve		-	-
Total restricted funds		<u>195,070</u>	<u>180,550</u>
Total charity funds		<u>212,447</u>	<u>182,867</u>

**Islington Chinese Association
Balance Sheet
as at 31 March 2008**

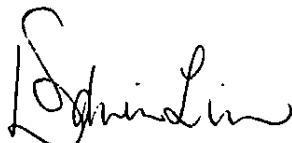
The directors are satisfied that the company is entitled to exemption under Section 249A(1) of the Companies Act 1985 and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The directors acknowledge their responsibility for

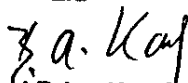
- (i) ensuring ensuring that the company keeps proper accounting records which comply with Section 221 of the Companies Act 1985; and
- (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of Section 226 of the Companies Act 1985, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

The accounts have been prepared in accordance with the special provisions relating to small companies under s246 of the Companies Act 1985 and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007)

Trustee



Treasurer - Mr Edwin Liu



Chairman - Colonel Brian Kay OBE TD DL FRSA
Approved by the trustees on 31st December 2008

The notes on pages 17 to 29 form an integral part of these accounts.

**Islington Chinese Association
Notes to the Accounts
for the year ended 31 March 2008**

1 Accounting policies

Basis of preparation of the accounts

The financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (FRSSE), effective January 2007, and all other applicable accounting standards, as modified by the 2005 Revision of the Statement of Recommended Practice for Accounting and Reporting issued by the Charity Commissioners for England & Wales, effective April 2005. The accounts have been drawn up in accordance with the provisions of the Charities Act and the Companies Act.

Insofar as the Statement of Recommended Practice for Accounting and Reporting issued by the Charity Commissioners for England & Wales, effective April 2005 requires compliance with specific Financial Reporting Standards other than the FRSSE then the specific Financial Reporting Standards have been followed where their requirements differ from those of the FRSSE.

Advantage has been taken of paragraph 3(3) of Schedule 4 of the Companies Act 1985 to allow the format of the financial statements to be adapted to reflect the special nature of the company's operation.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement.

The particular accounting policies adopted are set out below.

Accounting convention

The financial statements are prepared, on a going concern basis, under the historical cost convention.

The charity is partly dependent on continuing grant aid and as a consequence the going concern basis is also dependent on the continuing grant aid.

Incoming Resources

Incoming resources are accounted for on a receivable basis.

Investment Income

Bank interest received is included on an actual receipts basis

Deferred income

In accordance with the Statement of Recommended Practice for Accounting and Reporting (effective April 2005) issued by the Charity Commissioners for England & Wales grants received in advance and specified by the donor as relating to specific accounting periods or alternatively which are subject to conditions which are still to be met, and which are outside the control of the charity or where it is uncertain whether the conditions can or will be met, are deferred on an accruals basis to the period to which they relate. Such deferrals are shown in the notes to the accounts and the sums involved are shown as creditors in the accounts.

**Islington Chinese Association
Notes to the Accounts
for the year ended 31 March 2008**

Recognition of liabilities

Liabilities are recognised on the accruals basis in accordance with normal accounting principles, modified where necessary in accordance with the guidance given in the Statement of Recommended Practice for Accounting and Reporting (effective April 2005) issued by the Charity Commissioners for England & Wales.

Resources Expended

Allocation of costs within types of resources expended

The policy for including items within the relevant activity of categories of resources expended is that, wherever possible, expenditure is identified to the project to which it relates, and where this is not possible the allocation and apportionment of costs is estimated on a reasonable and consistent basis by the trustees, the basis normally being pro rata to the relevant income.

In particular the policy for including items within costs of generating funds, charitable activities and governance costs is:-

Costs of generating funds

All costs specifically related to fundraising and fund generation, including related management and administration costs, are included in this heading.

Charitable activities

All costs directly related to the meeting of the objectives of the charity, including related management and administration costs, are included in this heading.

Governance costs

Governance costs only includes the necessary costs of legal compliance.

Fixed assets and depreciation

All tangible fixed assets are stated at cost less depreciation.

Items of less than £100 are not capitalised.

Depreciation has been provided at the following rates in order to write off the assets (less their expected residual value) over their estimated useful economic lives.

Office Furniture	100% in the year of acquisition
Equipment	33.33% straight line
Plant and machinery	25% straight line

A regular annual review of the likelihood of asset impairment is undertaken. The basis of this review is that the assets are examined by the trustees for their fitness for purpose in their current use.

Capital grants

The board of trustees consider that , in order to comply with the Statement of Recommended Practice for Accounting and Reporting issued by the Charity Commissioners for England & Wales (effective April 2005), gifts of tangible fixed assets or grants of a capital nature given for specific purposes and fully utilised in the furtherance of the objects of the charity should be credited to the relevant fixed asset fund after the sums have been properly expended on the restricted purpose. The related asset is shown in the balance sheet at the full cost of acquisition or subsequent revaluation.

**Islington Chinese Association
Notes to the Accounts
for the year ended 31 March 2008**

If the related assets are subject to restrictions by the grant making organisation on their use and disposal, then these restrictions are noted in the fixed asset section of these accounts. In such circumstances, the fixed asset fund created is treated as a restricted fixed asset fund. As the related assets are depreciated, then a transfer is made from restricted fixed asset funds to unrestricted revenue reserves to reflect the diminution in the asset subject to the restriction. In this year, a sum of £nil (2007 - £nil) was transferred from restricted fixed asset funds to unrestricted revenue reserves.

If the related assets are not subject to restrictions by the grant making organisation on their use and disposal, then the fixed asset fund created is treated as a designated fixed asset fund. As the related assets are depreciated, then a transfer is made from designated fixed asset funds to unrestricted revenue reserves to reflect the diminution in the asset. In this year, a sum of nil (2007 - £918) was transferred from designated fixed asset funds to unrestricted revenue reserves.

Any residual liability to the donor arising from, for example, the asset's future sale, is disclosed as a contingent liability unless the event that would trigger repayment of the grant becomes probable in which case a liability for repayment is recognised

Insofar as this policy relates to Government grants and to the extent that it may be a departure from the Statement of Standard Accounting Practice Number 4, such departure is justified on the basis that it is in order to comply with the Statement of Recommended Practice for Accounting and Reporting (effective April 2005) issued by the Charity Commissioners for England & Wales.

Taxation

As a registered charity, the company is exempt from income and corporation tax to the extent that its income and gains are applicable to charitable purposes only. Value Added Tax is not recoverable by the company, and is therefore included in the relevant costs in the Statement of Financial Activities

Finance and operating leases

Rentals payable in respect of operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities as incurred.

Finance leases are accounted for in accordance with the requirements of the Financial Reporting Standard for Smaller Entities (FRSSE), effective January 2005.

Funds structure policy

The charity maintains a general unrestricted fund which represents funds which are expendable at the discretion of the trustees in furtherance of the objects of the charity. Such funds may be held in order to finance both working capital and capital investment.

Restricted funds have been provided to the charity for particular purposes, and it is the policy of the board of trustees to carefully monitor the application of those funds in accordance with the restrictions placed upon them.

A fixed asset fund is maintained which represents the written down value of tangible fixed assets, and is divided into a restricted fixed asset fund representing the written down value of those assets subject to restrictions, with the balance being in a designated fund representing the written down value of those assets free of restrictions. The detailed operation of these funds is described under the accounting policy 'Capital grants'

**Islington Chinese Association
Notes to the Accounts
for the year ended 31 March 2008**

There is no formal policy of transfer between funds or on the allocation of funds to designated funds, other than that described above.

Any other proposed transfer between funds would be considered on the particular circumstances.

2 Winding up or dissolution of the charity

If upon winding up or dissolution of the charity there remain any assets, after the satisfaction of all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having similar objects to the charity.

3 Surplus for the financial year	2008	2007
	£	£
This is stated after crediting :-		
Revenue Turnover from ordinary activities	160,851	239,912
and after charging:-		
Depreciation of owned fixed assets	-	1,017
Rentals under operating leases	6,708	-
Indemnity Insurance for trustees and employees	405	405
Reporting Accountant's fees	1,350	1,325

Funds belonging to the charity have been used for the purchase of insurance to protect the charity from loss arising from the neglect or defaults of its trustees, employees or agents, or to indemnify its trustees, employees or agents, against the consequences of any neglect or default on their part. The sum expended on such insurance was as indicated in the above schedule.

4 Expenses paid to trustees or persons connected with trustees

	2008	2007
	£	£
The aggregate amount of expenses paid to trustees was	<u>-</u>	<u>334</u>

The nature of the expenses was the cost of arranging management committee meetings, and related to all of the trustees. No expenses were paid to trustees in 2007.

Islington Chinese Association
Notes to the Accounts
for the year ended 31 March 2008

5 Detailed analysis of certain transactions required by the 2005 revision to the Statement of Recommended Practice for Accounting and Reporting Issued by the Charity Commissioners for England & Wales (effective April 2005)

Various items which are required by the 2005 revision to the Statement of Recommended Practice for Accounting and Reporting issued by the Charity Commissioners for England & Wales (effective April 2005) to be disclosed in the notes to the accounts are set out in the Detailed Schedule to the Statement of Financial Activities and its appendices on pages 26 to 29, which should be read together with these notes.

6 Investment Income	2008	2007
	£	£
Bank Deposit Interest Received	9,013	5,057

7 Deferred Incoming Resources & Reserves- Restricted funds

	Opening Deferrals	Released from prior years	Received less released in year	Deferred at year end
	£	£	£	£
Lloyds TSB Charitable Trust	7,425	7,425	-	-
BBC Children in Need	-	-	6,257	6,257
The Wates Foundation	-	-	6,699	6,699
Total	7,425	7,425	12,956	12,956

	2008	2007
	£	£
These deferrals are included in creditors	12,956	7,425

The deferrals included in creditors relate to those grants and donations specified by the donors as relating to specific periods and represent those parts of the grants or donations which relate to periods subsequent to the accounting year end and are treated as grants in advance, or alternatively where there are conditions which must be fulfilled prior to entitlement or use of the grant or donation by the charity ..

8 Staff Costs and Emoluments	2008	2007
	£	£
Gross Salaries	52,041	68,636
Employer's National Insurance	1,877	3,181
Pension Contributions	-	-
	53,918	71,817

Numbers of full time employees or full time equivalents	2008	2007
Engaged on charitable activities	2	3
Engaged on management and administration	1	1
	3	4

There were no fees or other remuneration paid to the trustees
There were no employees with emoluments in excess of £60,000 per annum

Islington Chinese Association
Notes to the Accounts
for the year ended 31 March 2008

9 Tangible functional fixed assets

	Equipment £	Total £
Asset cost, valuation or revalued amount		
At 1 April 2007	8,518	8,518
Additions	2,418	2,418
Surplus on revaluation	-	-
At 31 March 2008	<u>10,936</u>	<u>10,936</u>
Accumulated depreciation and impairment provisions		
At 1 April 2007	8,385	8,385
Depreciation on revaluation	-	-
Charge for the year	-	-
At 31 March 2008	<u>8,385</u>	<u>8,385</u>
Net book value		
At 31 March 2008	<u>2,551</u>	<u>2,551</u>
At 31 March 2007	<u>133</u>	<u>133</u>

All assets are used for direct charitable purposes and there are no inalienable or heritage assets

The methods used in the impairment review to determine net realisable value and value in use were as noted under accounting policies.

10 Debtors

	2008 £	2007 £
Trade Debtors	<u>2,858</u>	<u>5,291</u>
	<u>2,858</u>	<u>5,291</u>

11 Creditors: amounts falling due within one year

	2008 £	2007 £
Bank loans and overdrawn bank accounts	1,989	3,550
Trade creditors	4	7
Other creditors	-	292
Accruals	3,293	3,118
PAYE & NIC	573	1,071
Grants in advance and deferred income (see note 7)	<u>12,956</u>	<u>7,425</u>
	<u>18,815</u>	<u>15,463</u>

12 Operating Leases

	2008 £	2007 £
At the year end the company had annual commitments under non-cancellable operating leases as set out below:		
Operating leases which expire:		
within two to five years	10,800	10,800

Islington Chinese Association
Notes to the Accounts
for the year ended 31 March 2008

The charity negotiated rental terms with their landlord, the effect of which was that no rent is payable between January 2006 and September 2007. This was a commercial arrangement

13 Analysis of the Net Movement in Funds	2008	2007
	£	£
Net movement in funds from Statement of Financial Activities	29,580	41,749
Net resources applied on functional fixed assets	(2,418)	(99)
Net movement in funds available for future activities	27,162	41,650

The net resources applied on functional fixed assets and represents the cost of additions less proceeds of any disposals.

14 Particulars of Individual Funds and analysis of assets and liabilities representing funds
At 31 March 2008

	Unrestricted funds	Designated funds	Restricted funds	Total Funds
	£	£	£	£
Tangible Fixed Assets	2,418	133	-	2,551
Current Assets	8,641	25,000	195,070	228,711
Current Liabilities	(18,815)	-	-	(18,815)
	<u>(7,756)</u>	<u>25,133</u>	<u>195,070</u>	<u>212,447</u>

	Unrestricted funds	Designated funds	Restricted funds	Total Funds
	£	£	£	£
At 1 April 2007				
Tangible Fixed Assets	-	133	-	133
Current Assets	(7,353)	25,000	180,550	198,197
Current Liabilities	(15,463)	-	-	(15,463)
	<u>(22,816)</u>	<u>25,133</u>	<u>180,550</u>	<u>182,867</u>

Islington Chinese Association
Notes to the Accounts
for the year ended 31 March 2008

The individual funds included above are :-

	Funds at 2007	Movements in Funds as below	Transfers Between funds	Funds at 2008
	£	£	£	£
Premises Fund	160,620	15,520	-	176,140
Youth Sports & Leisure Fund	1,000	(1,000)	-	-
Latin American Women's Aid	2,106	-	-	2,106
<i>Domestic Violence Outreach Support</i>				
Childrens' Musical Group	9,010	-	-	9,010
Publications	3,420	-	-	3,420
Peabody Trust	-	-	-	-
Community Base Business Advice	2,059	-	-	2,059
Richard Cloudsley's Charity	-	-	-	-
Lloyds TSB Foundation	975	-	-	975
Help a London Child	1,360	-	-	1,360
Designated Fixed Asset Funds	133	-	-	133
Designated Revenue Funds	25,000	-	-	25,000
Islington Council- Meals on wheels	-	-	-	-
Homes For Islington	-	-	-	-
Unrestricted Funds	(22,816)	15,060	-	(7,756)
Arts Council England	-	-	-	-
BBC Children in Need	-	-	-	-
Wates Foundation	-	-	-	-
	<u>182,867</u>	<u>29,580</u>	<u>-</u>	<u>212,447</u>

Analysis of movements in funds as shown in the table above

	Incoming Resources £	Outgoing Resources £	Gains & Losses £	Movement in funds £
Premises Fund	15,520	-	-	15,520
Youth Sports & Leisure Fund	-	1,000	-	(1,000)
Latin American Women's Aid	1,963	1,963	-	-
Childrens' Musical Group	271	271	-	-
Publications	-	-	-	-
Peabody Trust	6,624	6,624	-	-
Community Base Business Advice	25,932	25,932	-	-
Richard Cloudsley's Charity	250	250	-	-
Lloyds TSB Foundation	7,425	7,425	-	-
Help a London Child	-	-	-	-
Designated Fixed Asset Funds	-	-	-	-
Designated Revenue Funds	-	-	-	-
Islington Council- Meals on wheels	7,899	7,899	-	-
Homes For Islington	1,500	1,500	-	-
Unrestricted Funds	101,218	86,158	-	15,060
Arts Council England	500	500	-	-
BBC Children in Need	368	368	-	-
Wates Foundation	394	394	-	-
	<u>169,864</u>	<u>140,284</u>	<u>-</u>	<u>29,580</u>

**Islington Chinese Association
Notes to the Accounts
for the year ended 31 March 2008**

The premises fund has been established to fund future premises developments and may only be applied for this purpose.

The other restricted funds arise from grant income or contractual payments received, and may only be applied for the specific purposes of the funds concerned.

The designated funds have been set aside out of unrestricted funds by the trustees for the following specific purposes:-

	In the year to 31st March 2005
Improvements to premises	15,000
Staff costs contingency fund	10,000

Total	£ 25,000
	=====

Although this has created a notional deficit on unrestricted funds, the trustees are satisfied that this will not cause undue problems for the following reasons:-

- a) In strict legal terms, the designated funds and the unrestricted funds can be aggregated, and it is open to the trustees at any time to undesignate the funds.
- b) The trustees are actively seeking, in the period subsequent to 31st March 2008, to generate unrestricted income, and reduce unrestricted costs, partly by seeking restricted funding for specific salaried positions. The trustees are confident that this strategy will restore the unrestricted funds to surplus over a period, without the requirement to aggregate them with the designated funds. The position has improved significantly since 31st March 2007.

Explanation of the nature of each material transfer between funds.

The transfers between the funds as shown above are in compliance with the accounting policies.

15 Endowment Funds

The charity had no endowment funds in the year ended 31st March 2008 or in the year ended 31st March 2007

16 Share Capital

The charity is incorporated under the Companies Act 1985 and is limited by guarantee, each member having undertaken to contribute such amounts not exceeding one pound as may be required in the event of the company being wound up whilst he or she is still a member or within one year thereafter

There are 912 members of the company (2007 - 518 members)

Islington Chinese Association
Schedule to the Statement of Financial Activities
for the year ended 31 March 2008

Status of this schedule to the Statement of Financial Activities

The schedules on the following pages are required by the disclosure requirements of the Statement of Recommended Practice for Accounting and Reporting issued by the Charity Commissioners for England & Wales, effective April 2005.

As such, they form a part of the accounts required by the Charities (Accounts and Reports) Regulations 2005.

They do not form a part of the accounts required by the provisions of the Companies Acts, but to some extent they may duplicate information found elsewhere in the accounts.

Incoming Resources

	Unrestricted Funds 2008 £	Restricted Funds 2008 £	Total Funds 2008 £	Prior Period Total Funds 2007 £
Incoming Resources from generated funds				
Voluntary Income				
Grants, legacies and donations				
Government and public bodies				
Incoming resources of a revenue nature				
London Borough of Islington -	-	-	-	1,000
The Arts Council England	-	500	500	4,687
Awards For All	-	-	-	5,000
Islington Council - Meals on Wheels & Elderly group	-	7,899	7,899	29,162
Homes for Islington	-	1,500	1,500	-
IR Charity	3,677	-	3,677	-
Total	3,677	9,899	13,576	39,849
Non government and non public bodies				
Incoming resources of a revenue nature				
Gift and related gift aid claims	11,980	-	11,980	-
Latin American Womens' Aid	-	1,963	1,963	2,875
Capital Radio - Help a London Child	-	-	-	1,360
Association of Community Base Business Advice	-	15,850	15,850	17,262
Sundry donations under £1000	1,510	-	1,510	4,679
Richard Cloudsley's Charity	-	250	250	1,000
Lloyds TSB Foundation	-	7,425	7,425	2,475
Business Advice	-	10,082	10,082	-
Peabody Trust	-	6,895	6,895	-
BBC Children in Need	-	368	368	-
Global Group Asia Fund	-	2,000	2,000	-
Wates Foundation	-	394	394	-
Total	13,490	45,227	58,717	29,651
Total Grants,Legacies & Donations Received	17,167	55,126	72,293	69,500

Islington Chinese Association
Schedule to the Statement of Financial Activities
for the year ended 31 March 2008

	Unrestricted Funds 2008 £	Restricted Funds 2008 £	Total Funds 2008 £	Prior Period Total Funds 2007 £
Other voluntary income				
Members' Subscriptions	6,127	-	6,127	3,765
Total Voluntary Income	23,294	55,126	78,420	73,265
Activities for generating funds				
Fundraising activities	12,579	13,520	26,099	72,434
Total of activities for generating funds	12,579	13,520	26,099	72,434
Investment Income				
Other bank deposit interest received	9,013	-	9,013	5,057
Total Investment Income	9,013	-	9,013	5,057
Incoming resources from charitable activities				
Primary purpose trading	47,943	-	47,943	45,319
Sale of goods and services made by beneficiaries	-	-	-	-
Letting of none investment property for charitable purpose	7,286	-	7,286	7,775
Shanghai	-	-	-	30,738
UK Trip	1,103	-	1,103	10,381
Total Incoming resources from charitable activities	56,332	-	56,332	94,213
Total Incoming Resources	101,218	68,646	169,864	244,969

Islington Chinese Association
Schedule to the Statement of Financial Activities
for the year ended 31 March 2008

	Unrestricted Funds 2008 £	Restricted Funds 2008 £	Total Funds 2008 £	Prior Period Total Funds 2007 £
Costs of generating funds				
<i>Costs of generating voluntary income</i>				
Cost of fundraising activities	1,026	-	1,026	53,546
Total costs of generating voluntary income	1,026	-	1,026	53,546
Charitable expenditure				
<i>Costs of activities in furtherance of the charity's objectives</i>				
Cost of goods or services as a charitable activity	17,690	20,769	38,459	33,669
Sundry donations made	-	-	-	275
	17,690	20,769	38,459	33,944
Support costs of charitable activities				
Volunteers' Costs	2,386	-	2,386	3,205
Marketing of services	-	-	-	722
Employee costs:				
Gross wages and salaries - charitable activities	18,684	33,357	52,041	68,636
Employer's NI - Charitable activities	1,877	-	1,877	3,181
Travel and subsistence	23	-	23	-
Motor expenses	660	-	660	1,084
Recruitment expenses	352	-	352	-
Premises Costs				
Rent payable	6,708	-	6,708	-
Rates, water & service charges	1,161	-	1,161	831
Insurance	2,357	-	2,357	2,150
Light and heat	4,869	-	4,869	3,623
Cleaning	1,060	-	1,060	895
Premises repairs and renewals	2,387	-	2,387	1,670
TV Licence and subscription	613	-	613	-
Refuse and Waste	542	-	542	-
General administrative expenses:				
Telephone and fax	1,102	-	1,102	1,108
Postage & Carriage	1,068	-	1,068	1,939
Stationery and printing	2,715	-	2,715	8,041
Subscriptions	267	-	267	730
Advertising and PR	1,653	-	1,653	-
Bank charges	371	-	371	301
Sundry expenses	1,473	-	1,473	411
Consultancy fees	13,764	-	13,764	14,527
Depreciation of assets used for charitable purposes	-	-	-	1,017
	66,092	33,357	99,449	114,071
Total Expended on Charitable Activities	83,782	54,126	137,908	148,015

Islington Chinese Association
Schedule to the Statement of Financial Activities
for the year ended 31 March 2008

	Unrestricted Funds	Restricted Funds	Total Funds	Prior Period Total Funds
	2008	2008	2008	2007
	£	£	£	£
<i>Governance costs that are not direct management functions inherent in generating funds, service delivery and programme or project work (including management and administration costs)</i>				
<i>Specific governance costs</i>				
Trustees expenses	-	-	-	334
Reporting Accountant's Fees	1,350	-	1,350	1,325
Total governance costs	1,350	-	1,350	1,659

The basis for the allocation of costs as shown above is explained in the accounting policies and the notes to the accounts.

A Detailed schedule of grants paid to achieve the objects of the charity

	2008 £	2007 £
Grants to Institutions		
Sundry donations less than £1000	-	275
Total of all grants paid	-	275