

**Registered Charity Number**  
**Registered Company Number**

1042435  
2663906

# ISLINGTON CHINESE ASSOCIATION

**REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED**  
**31 MARCH 2018**



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### **Name, registered office of the charity**

The full name of the charity is ISLINGTON CHINESE ASSOCIATION, (hereafter called ICA).

Its legal registration details are:

<i>Date of incorporation</i>	13 November 1991
<i>Company Registration Number</i>	2663906
<i>Registered Office</i>	21 Hatchard Road, London N19 4NG
<i>Charity Registration Number</i>	1042435
<i>Telephone number</i>	020 7263 5986

## **Objectives and activities of the Charity**

Established in 1986, the Islington Chinese Association (ICA) works tirelessly in advancing the rights of Chinese people in London and beyond, building a vibrant and integrated community. Its aim is to promote diversity through integration, challenge limitations and facilitate social change.

ICA's focus is to work towards a fair and just society whereby the Chinese can assimilate into the wider community and enjoy living in the UK celebrating shared values.

ICA provides social services, promotes Chinese traditions and cultural heritage, serves as a bridge between Chinese immigrants and mainstream groups, promotes British/Chinese interests and engages in charitable activities.

The charity's activities include: running a luncheon club for locals and pensioners, promoting wellbeing and health through sports, social, cultural and arts programmes, outreach and befriending, enabling volunteer participation, facilitating a hub for youth meetings, providing homeless support with free breakfasts throughout the year and twice monthly vegetarian lunches, winter shelter between January and March. ICA is also a hub for community cohesion and hires out its rented premises for community groups and functions at community rates.

### **Chief Executive Officer**

Dr Stephen Ng MBE

### **Bankers**

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

### **Solicitors**

Ms Wei Ling Choi LLB (Hons)  
Kamberley Solicitors  
100A Chase Side  
London N14 5PH

### **Investment advisors**

No investment advisors are appointed.

## **Trustees' report**

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 Act and of trustees under the Charities Act.

2017 marked the 50<sup>th</sup> Anniversary of St Gabriel's Catholic Church home to ICA for the past decade. To celebrate the half centenary the Parish Church invested in a complete renovation of the Parish Kitchenette and Meeting Room, the Upper Hall toilets, and most importantly installed a platform lift for wheelchair users. Inspired by this ICA volunteers also redecorated the centre's reception adding uplifting calligraphy – the 4 characters 互爱精神 mean 'spirit of mutual support', a phrase summarising ICA's ethos.

In 2017/18 funding accounted for 30% of ICA's incoming resources. Islington Council remains to be ICA's main funder. Its £20,000 Luncheon Club fund subsidizes nutritious and convivial lunches and brings many members to the centre to socialize and skill share; a Voluntary & Community Sector Grants Fund of £15,000 is an invaluable contribution towards staff pay; without the steady support of Islington Council the Association would not be here to enrich the local community.

The 11th consecutive annual donation of £500 from Daisy TUFTS Company, the annual contribution of £2,000 from the Cantonese Operatic Group for using the Upper Hall for cultural exchanges, all provided valuable financial assistance to the charity.

The year also saw a huge injection of vigor thanks to the success of a Big Lottery Grant application. The Realizing Effective Community Project officially started in March 2018 and will run for 3 years. This Big Lottery Grant creates the post of a Community Development Coordinator to help bring about social change and improve understanding amongst Cantonese, Mandarin speakers and the wider community thereby improving harmony and quality of life for all.

With unfaltering support from the Parish Priest Father Ugo, the Parish Church and the Association has cooperated in providing free breakfast to the vulnerable throughout the year, a Thursday hot lunch, and Winter Shelter for the homeless between January to March every year. AA (Alcoholics Anonymous) Groups and CA (Cocaine Anonymous) Groups, Bingo Group, Irish Music Group and many other community users like Ward Councilor surgeries are run at the premises all through the dedication of the small core staff and huge teams of volunteers.

## **Islington Chinese Association**

### **Report and accounts for the year ended 31 March 2018**

The Association is in full support of the Tzu Chi Buddhist Foundation in providing free vegetarian meals every other Saturday to the needy, and in carrying out local and international relief work. Tzu Chi also engaged in home visits and to Nursing Homes and to those inmates held in immigration detention centres.

The Association again fielded a racing team in the Annual Dragon Boat Festival at the London Regatta Centre this year. The Great Get Together in memory of Jo Cox MP was held on 18 June at the centre and was open to all. The Chinese New Year Festival was held on 17 February at the Centre officiated by the Mayor of Islington Cllr. Una O'Halloran and attended by a multitude of local residents. These free cultural festivals and events play a vital part in sharing rich Chinese heritage amongst Londoners, creating unmissable family events in the local calendar.

Some activities happened offsite - a tour to Kuenkenhof in the Netherlands in May, a cruise to Spain and Portugal in November and a romp round the Isle of Wight in spring. Trips away are popular among members; their families appreciate these good value for money eye-opener opportunities. All these carefully planned good value for money trips were led by ICA staff.

The trustees are satisfied with the performance of the charity during the year and of its finances as at 31 March 2018 and are grateful to its staff and volunteer teams for sustaining a vibrant community in Archway.

Hanifah Law

**Trustee and Chairman**

**The members of the Board of Trustees of the Charity during the year ended 31 March 2018 and since that date were :-**

#### **OFFICERS**

CHAIRMAN	Colonel Brian Kay OBE DL TD (to 16 June 2018; Resigned as Trustee on 23 October 2018 )
VICE CHAIRMAN	Mrs Hanifah Law (to 16 June 2018; Appointed Chairman on 2 July 2018 )
SECRETARY	Mr Kenneth Wong
TREASURER	Mr Anthony Cheang ( resigned 16 June 2018 ) Ms Hinchee Hung ( appointed 16 June 2018 )

#### **MANAGEMENT COMMITTEE MEMBERS**

Mr Brian Boylan  
Ms Suk Wai Cheung Yildiz  
Mr Jasper Wong  
Ms Cheryl Hung  
Ms Fiona Au

## **Statement of Directors' and Trustees' Responsibilities**

The Charities Act and the Companies Act require the Board of Trustees 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

The Trustees are also responsible for maintaining adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which are sufficient to show the charity's transactions prepared in accordance with the small companies regime under the Companies Act 2006 and comply with regulations made under the Charities Act. Trustees 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.

### ***Policies on reserves***

Reserves are needed to meet the working capital requirements of the charity. ICA's policy is to maintain the Reserves Target at a minimum of 3-6 months budget expenditure. Based on current levels of overheads expenditure, this would be between £35,000 to £65,000. As at 31 March 2018 unrestricted reserves were £103,988 which represented approximately 10 months of expenditure. The trustees are confident that at this level they would be able to continue the current activities of the charity in the event of a significant drop in funding.

### ***Risk Management***

The trustees conduct an annual review of the major risks to which the charity is exposed. Internal control systems have been established to mitigate the risks the charity faces and these are reviewed from time to time. Significant external funding risks have led to the development of a strategic plan which allows for the diversification of funding and activities. Procedures are in place to ensure compliance with health and safety of staff, volunteers, and all users of the centre.

### ***Transactions and Financial position***

The financial statements are set out on pages 9 to 15. The financial statements have been prepared in accordance with the Statement of Recommended Practice for Accounting and Reporting by Charities issued by the Charity Commission for England and Wales and in accordance with the Financial Reporting Standard 102.

In 2017/18 the charity's activities generated a marginal surplus of £2,574 (2017 £40,952 thanks to a Sports England grant of £44,692) before depreciation. The

**Islington Chinese Association**

**Report and accounts for the year ended 31 March 2018**

trustees consider this satisfactory and are confident that it can maintain its core services in the light of the continuing tight financial constraints.

The Statement of Financial Activities for the year ended 31 March 2018 showed net reduction in resources for the year of £17,424 (2017 surplus £22,553) and the total unrestricted and restricted reserves at the year-end stood at £280,129 (2017 £297,553).

This report was approved by the board of trustees on 22 November 2018.



Hinchee Hung

**Trustee and Treasurer (Term 2018-2020)**

**Independent examiner's report**  
**for the year ended 31 March 2018**

I report to the charity trustees on my examination of the financial statements of Islington Chinese Association for the year ended 31 March 2018 which are set out on pages 9 to 15.

**Respective responsibilities of trustees and examiner**

As the charity trustees ( who are also the directors of the company for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ( " the 2006 Act").

Having satisfied myself that the financial statements of the company are not required to be audited for this year under part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's financial statements as carried out under section 145 of the Charities Act 2011 ( " the 2011 Act "). In carrying out my examination , I have followed the Directions given by the Charity Commission ( under section 145 (5) (b) of the 2011 Act

**Independent examiner's statement**

I have completed my examination. I confirm that no material matters have come to my attention that gives me cause to believe that:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006; or
- the financial statements do not accord with such records; or
- the financial statements do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 other than any requirement that the financial statements show a 'true and fair' view which is not a matter considered as part of an independent examination; or
- the financial statements have not been prepared in accordance with the Charities SORP ( FRS 102)



Mei Sim Lai OBE DL FCA FCCA  
LaiPeters & Co, Chartered Accountants  
New Broad Street House  
35 New Broad Street  
London EC2M 1NH

24 December 2018



# Islington Chinese Association

## Statement of Financial Activities for the year ended 31 March 2018

(incorporating the Income and Expenditure account)d

	Unrestricted Funds	Restrict Funds	Total Funds	Last Year Total
	2018 £	2018 £	2018 £	2017 £
<b>Incoming resources</b>				
<b><i>Incoming resources from generated funds</i></b>				
Voluntary Income	7,133	20,000	27,133	39,520
Activities for generating funds	77,492	-	77,492	47,326
Investment Income	588	-	588	677
<b><i>Incoming resources from charitable activities</i></b>				
<b><i>Other Incoming resources</i></b>	15,462	22,972	38,434	71,239
<b>Total incoming resources</b>	<b>100,675</b>	<b>42,972</b>	<b>143,647</b>	<b>158,762</b>
<b><i>Costs of generating funds</i></b>				
Costs of generating voluntary income	-	-	-	-
<b><i>Costs of charitable activities</i></b>	118,099	42,972	161,071	136,209
<b>Total resources expended</b>	<b>118,099</b>	<b>42,972</b>	<b>161,071</b>	<b>136,209</b>
<b>Net incoming resources before transfers between funds</b>	<b>-17,424</b>	<b>-</b>	<b>-17,424</b>	<b>22,553</b>
<b>Gross transfers between funds</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net incoming resources before Other recognized gains and losses</b>	<b>-17,424</b>	<b>-</b>	<b>-17,424</b>	<b>22,553</b>
<b>Other recognized gains and losses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net movement in funds</b>	<b>-17,424</b>	<b>-</b>	<b>-17,424</b>	<b>22,553</b>
<b>Reconciliation of funds</b>				
<b><i>Total funds brought forward</i></b>	<b>121,413</b>	<b>176,140</b>	<b>297,553</b>	<b>275,000</b>
<b>Total Funds carried forward</b>	<b>103,989</b>	<b>176,140</b>	<b>280,129</b>	<b>297,553</b>

All activities derive from continuing operations.

The notes on pages 11 to 15 form an integral part of these accounts.

Islington Chinese Association

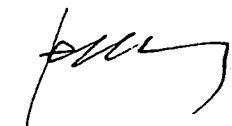
Balance Sheet as at 31 March 2018

	Notes	2018 £	2017 £
<b>Fixed assets</b>			
Property, Plant & Equipment	8	20,720	37,493
<b>Current assets</b>			
Debtors	9	2,630	4,268
Inventories		350	350
Cash at bank and in hand		<u>284,090</u>	<u>276,744</u>
<b>Total current assets</b>		<b>287,070</b>	<b>281,363</b>
<b>Creditors:-</b>			
Amounts due within one year	10	<u>(27,661)</u>	<u>(21,303)</u>
<b>Net current assets</b>		<b>259,409</b>	<b>260,060</b>
<b>Net assets</b>		<u><b>280,129</b></u>	<u><b>297,553</b></u>
<b>RESERVES</b>			
<b>Unrestricted income funds</b>			
Unrestricted revenue accumulated funds		78,989	96,413
Designated revenue funds		<u>25,000</u>	<u>25,000</u>
<b>Total unrestricted funds</b>		<b>103,989</b>	<b>121,413</b>
<b>Restricted general income funds</b>			
Revenue accumulated funds		<u>176,140</u>	<u>176,140</u>
<b>Total restricted funds</b>		<b>176,140</b>	<b>176,140</b>
<b>Total charity funds</b>		<u><b>280,129</b></u>	<u><b>297,553</b></u>

The trustees are satisfied that for the year in question the charitable company was entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006 and that no member or members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Act. However, in accordance with section 145 of the Charities Act 2011, the accounts have been examined by an Independent Examiner whose report appears on page 7.

The directors/trustees acknowledge their responsibility for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.



Hinchee Hung  
Trustee and Treasurer

22 November 2018  
APPROVED BY THE BOARD

## Islington Chinese Association

### Notes to the Accounts for the year ended 31 March 2018

#### 1 Accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year, and also have been consistently applied within the same accounts.

##### **Basis of preparation of the accounts**

The financial statements have been prepared in accordance and under the historical cost Convention and comply with the Companies Act 2006 and in accordance with the Charity SORP. "Accounting and Reporting by Charities": Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with FRS 102 "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland". They are prepared in sterling which is the functional currency of the company.

##### **Accounting convention**

The charity is entirely dependent on continuing grant aid and as a consequence the going concern basis is also dependent on the continuing grant aid. At the time of approving these accounts the directors/ trustees have after assessing the situation, a reasonable expectation that the charity will have adequate resources to continue in operational existence for the foreseeable future.

Accordingly, the financial statements have been prepared on a going concern basis.

##### **Incoming Resources**

Incoming resources are accounted for when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. Voluntary income is received by way of grants, donations and gifts and is included in the year in which they are received, unless they relate to a specific period when they will be recognized over the period to which they relate.

##### **Deferred income**

In accordance with the SORP, 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.

##### **Resources expended**

Liabilities are recognized on the accruals basis in accordance with normal accounting principles, modified where necessary in accordance with the guidance given in the SORP.

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

##### **Charitable activities**

All costs directly related to the meeting of the objectives of the charity including that of active fundraising are included in this heading.

## Islington Chinese Association

### **Fixed assets and depreciation**

All tangible fixed assets are stated at cost less accumulated depreciation and 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.

Renovations & lease improvements	over remaining period of current lease
Office Furniture & Fittings	20% straight line
Equipment	50% straight line
Plant and machinery	20% straight line

### **Capital grants**

The board of trustees considers that, in order to comply with The SORP, gifts of tangible fixed assets or grants of a capital nature given for specific purposes and fully utilized in the furtherance of the objectives 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.

If the related assets are subject to restrictions by the grant making organization on their use and disposal, then these restrictions are noted in the fixed asset section of these accounts.

### **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

### **Funds structure policy**

The charity maintains a general unrestricted fund which represents funds which are expendable at the discretion of trustees in furtherance of the objectives 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 the monitor the application of those funds in accordance with the restrictions placed upon them.

## **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 objectives to the charity.

The charity is incorporated under the Companies Acts and is limited by guarantee, each member having undertaken to contributed such amounts not exceeding £1 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 were 395 members in the year (2017 360 members).

<b>3 ( Deficit)/Surplus for the financial year</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>This is stated after crediting :-</b>		
<b>Revenue from ordinary activities</b>	<b>143,059</b>	<b>158,084</b>
<b>and after charging:-</b>		
Depreciation of owned fixed assets	19,998	18,399
Rentals under operating leases	11,000	11,000
Independent examiner's fee	2,000	1,900

## Islington Chinese Association

### 4 Costs of Charitable activities

	2018	2017
Salaries & Staff costs	57,493	56,826
Administrative expenses	4,485	4,034
Premises and related costs	29,920	23,328
Professional fees	9,245	8,150
Activities costs	39,930	25,472
Depreciation	<u>19,998</u>	<u>18,399</u>
	<u>161,071</u>	<u>136,209</u>
Unrestricted	118,099	52,037
Restricted	<u>42,972</u>	<u>84,172</u>
	<u>161,071</u>	<u>136,209</u>

### 5 Investment Income

	2018	2017
	£	£
Bank deposit interest received	588	677

### 6 Staff Costs and Emoluments

	2018	2017
	£	£
Gross Salaries & Employer's NIC	56,940	56,268
Staff Pensions Costs	553	559
<b>Numbers of full time employees or full time equivalents</b>		
Engaged on charitable activities	3	3
Engaged on management and administration	1	1
	<u>4</u>	<u>4</u>

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

### 7 Pensions

Existing employees of the charity were enrolled in the Workplace Pension Scheme with NEST, which is funded by contributions from employee and employer. The company does not operate any other defined contribution scheme for the benefit of its employees. Contributions payable are recognized in Statement of Financial Activities when due.

## Islington Chinese Association

### 8 Tangible fixed assets

	Renovations £	Furniture Fittings £	Plant & equipment £	Total £
<b>Asset cost, valuation or revalued amount</b>				
At 1 April 2017 at cost	49,602	5,097	27,832	82,531
Additions		2,015	1,210	3,225
<b>At 31 March 2018 at cost</b>	<b>49,602</b>	<b>7,112</b>	<b>29,042</b>	<b>85,756</b>
<b>Accumulated depreciation</b>				
At 1 April 2017	16,534	2,039	26,465	45,038
Charge for the year	16,798	905	2,295	19,998
<b>At 31 March 2018</b>	<b>33,332</b>	<b>2,944</b>	<b>28,760</b>	<b>65,036</b>
<b>Net Book Value at 31 March 2018</b>	<b>16,270</b>	<b>4,168</b>	<b>282</b>	<b>20,720</b>
<b>Net Book Value at 31 March 2017</b>	<b>33,068</b>	<b>3,058</b>	<b>1,367</b>	<b>37,493</b>

	2018 £	2017 £
<b>9 Debtors</b>		
Prepaid Expenses	1,521	1,174
Trade Debtors	336	2,074
Other debtors	773	1,020
	<u>2,630</u>	<u>4,268</u>
<b>10 Creditors: amounts due within one year</b>		
Trade & Operating Creditors	1,462	11,156
Deferred income	25,605	
Accruals	595	10,147
	<u>27,662</u>	<u>21,303</u>

Deferred income of £25,605 include the restricted grant received of £23,770 from the Big Lottery Fund that relates to future periods.

## Islington Chinese Association

### 11 Particulars of Individual Funds and analysis of assets and liabilities representing funds

	Unrestricted funds £	Designated funds £	Restrict. funds £	Total funds £
<b>As at 31 March 2018</b>				
Tangible fixed assets	20,720			20,720
Current assets	85,930	25,000	176,140	287,070
Current liabilities	(27,661)			(27,661)
	<u>78,989</u>	<u>25,000</u>	<u>176,140</u>	<u>280,129</u>
<b>Designated funds relate to:</b>				
Improvements to premises		15,000		
Staff costs contingency		10,000		
Purchase of permanent premises			176,140	
<b>As at 1 April 2017</b>				
Tangible fixed assets	37,493			37,493
Current assets	80,223	25,000	176,140	281,363
Current liabilities	(21,303)			(21,303)
	<u>96,413</u>	<u>25,000</u>	<u>176,140</u>	<u>297,553</u>

### 12 Analysis of movements in funds as shown in the table above

	Incoming resources £	Outgoing resources £	Movement in funds £
<b>Unrestricted general funds</b>			
Donations	7,133		
Luncheon club	18,433		
Other activities and fundraising	59,059		
Bank interest income	588		
Hall and facilities hire	15,462		
	<u>100,675</u>	<u>(118,099)</u>	<u>(17,424)</u>
<b>Restricted funds</b>			
Luncheon Club (L B Islington)	20,000	( 20,000)	-
LB Islington Local initiatives & events	1,225	( 1,225)	-
Islington Council VCS	15,000	( 15,000)	-
Big Lottery Grant	6,747	( 6,747)	-
	<u>42,972</u>	<u>(42,972)</u>	<u>-</u>
<b>Total</b>	<b>143,647</b>	<b>(161,071)</b>	<b>(17,424)</b>