Registered Charity Number	1042435
Registered Company Number	2663906

ISLINGTON CHINESE ASSOCIATION

REPORT AND ACCOUNTS

FOR THE YEAR ENDED

31 MARCH 2019

CONTENTS

Name, registered office of the charity

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

Its legal registration details are:

Date of incorporation	13 November 1991
Company Registration Number	2663906
Registered Office	21 Hatchard Road, London N19 4NG
Charity Registration Number	1042435
Telephone number	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
Donna So (from August 2019)

Acting Chief Executive Officer
Dr Stephen Ng MBE (until August 2019)

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

A new management committee elected by members at 2018's AGM is in place to serve for the term of 2018-2020. After serving tirelessly as Chairman for 12 years Col Brian Kay retired at the start of this term and has now become a Patron of the Association. I wish to express my thanks to all trustees, staff and volunteer teams who have worked collectively, with the support of St Gabriel's Catholic Church, to sustain this vibrant community in Archway.

2018/19 has been another busy year at ICA. Our Realising Effective Community Project (a 3-year project funded by the National Lottery Community Fund) has gone from strength to strength in growing a cohesive Chinese and multicultural community. Our luncheon club has now been running for nearly 30 years and we shall make every endeavour to continue this service for as long as possible with Islington Council's blessing. We have invested in the community to generate sustained value for our members by way of leisure, sports, cultural and educational activities both on site and away on UK and overseas trips.

The management committee remains determined to run a solvent, vibrant, fulfilling organization open to all. ICA members help keep Chinese traditions alive and promote Chinese heritage in its many and varied forms.

ICA is now set to move forward to the next stage of its development with digital communication, health education and other learning opportunities. We look forward to building new partnerships with other local organizations in fulfilling our ambitious programme of new activities.

Mei Sim Lai has been reappointed as our accounts examiner for 2018-2019. The trustees are satisfied with the performance of the charity during the year and of its finances as at 31 March 2019.

Hanifah Law
Trustee and Chairman

The members of the Board of Trustees during the year ended 31 March 2019 were :-

OFFICERS

CHAIRMAN	Mrs Hanifah Law
SECRETARY	Mr Kenneth Wong
TREASURER	Ms Hinchee Hung

MC MEMBERS

Mr Brian Boylan
Ms Suk Wai Cheung Yildiz
Mr Jasper Wong
Ms Cheryl Hung (resigned 30.09.2019)
Ms Fiona Au
Col Brian Kay (resigned23.10.2018)

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 £38,000 to £77,000. As at 31 March 2019 unrestricted reserves were £96,705 which represented approximately 8 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 centre users.

Transactions and Financial position

The financial statements are set out on pages 7 to 13. 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 2018/19 funding accounted for 39% of ICA's incoming resources. The National Lottery Community Fund and the Islington Council are ICA's main funders. Islington

Council's £20,000 Luncheon Club fund subsidizes nutritious and convivial lunches and brings many members out of potential isolation; 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.

In 2018/19 the charity's activities generated a surplus of £11,468 (2018 £2,574) before depreciation. The 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 2019 showed net reduction in resources for the year of -£7,283 (2018 -£17,424) and the total unrestricted and restricted reserves at the year-end stood at £272,845 (2018 £280,129).

This report was approved by the board of trustees on 16 December 2019.

Hinchee Hung
Trustee and Treasurer

Independent examiner's report

for the year ended 31 March 2019

I report on the financial statements of Islington Chinese Association for the year ended 31 March 2019 which are set out on pages 7 to 13.

Respective responsibilities of trustees and examiner

As the charity trustees (and also the directors of the company for the purposes of company law) you are responsible for the preparation of the financial statements. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011(the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law, and is eligible for independent examination, it is my responsibility to:

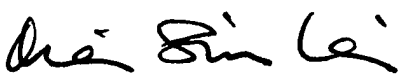
a) examine the accounts under section 145 of the 2011 Act;
b) follow the procedures laid down in the general Direction given by the Charity Commission under section 145(5)(b) of the 2011 Act; and;
c) state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes the review of the accounting records kept by the Charity and a comparison of the financial statements with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the financial statements show a 'true and fair' view and the report is limited to those matters set out on the statement below.

Independent Examiner's Statement

In accordance with my statement, no matter has come to my attention:
1) which gives me reasonable cause to believe that in any material respect the requirements
(i) to keep accounting records in accordance with section 386 of the Companies Act 2006;
and
(ii) to prepare financial statements which accord with the accounting records and comply with the accounting requirements of section 396 of the Companies Act 2006 and with the other methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities have been met: or
2) to which, in my opinion, attention should be drawn to enable a proper understanding of the accounts to be reached;



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

31 December 2019

Statement of Financial activities

(incorporating the Income and Expenditure account)

	Unrestricted Funds	Restricted Funds	Total Funds	Last Year Total
	2019 £	2019 £	2019 £	2018 £
Incoming resources				
Incoming resources from generated funds				
Voluntary Income	5,953	20,000	25,953	27,133
Activities for generating funds	125,314	-	125,314	77,492
Investment Income	504	-	504	588
Incoming resources from charitable activities				
Other Incoming resources	14,748	73,007	87,755	38,434
Total incoming resources	**146,519**	**93,007**	**239,526**	**143,647**
Costs of generating funds				
Costs of generating voluntary income	-	-	-	-
Costs of charitable activities	153,802	93,007	246,809	161,071
Total resources expended	153,802	93,007	246,809	161,071
Net incoming resources before transfers between funds	-7,283	-	-7,283	-17,424
Gross transfers between funds	-	-	-	-
Net incoming resources before				
Other recognized gains and losses	-7,283	-	-7,283	-17,424
Other recognized gains and losses	-	-	-	-
Net movement in funds	-7,283	-	-7,283	-17,424
Reconciliation of funds				
Total funds brought forward	103,989	176,140	280,129	297,553
Total Funds carried forward	**96,705**	**176,140**	**272,845**	**280,129**

All activities derive from continuing operations.

The notes on pages 9 to 13 form an integral part of these accounts.

Balance Sheet as at 31 March 2019

	Notes	2019 £		2018 £	
Fixed assets					
Property, Plant & Equipment	8		4,047		20,720
Current assets					
Debtors	9	14,840		2,630	
Inventories		2,663		350	
Cash at bank and in hand		282,631		284,090	
Total current assets		300,134		287,070	
Creditors:-					
Amounts due within one year	10	(31,336)		(27,661)	
Net current assets			268,798		259,409
Net assets			272,845		280,129
RESERVES					
Unrestricted income funds					
Unrestricted revenue accumulated funds		71,705		78,989	
Designated revenue funds		25,000		25,000	
Total unrestricted funds			96,705		103,989
Restricted general income funds					
Revenue accumulated funds		176,140		176,140	
Total restricted funds			176,140		176,140
Total charity funds			272,845		280,129

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 6.

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
16 December 2019

Notes to the Accounts for the year ended 31 March 2019

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 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.

Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required. No such restatement was required

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.

Inventories

Stock of food and other items is valued at the lower of cost and net realizable value.

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 311 members as at 31 March 2019 (2018 395 members).

3 Deficit for the financial year	**2019**	**2018**
	£	**£**
This is stated after crediting :-		
Revenue from ordinary activities	239,022	143,059
and after charging:-		
Depreciation of owned fixed assets	18,751	19,998
Rentals under operating leases	11,000	11,000
Independent examiner's fees	1,900	2,000

4 Costs of Charitable activities

	2019	2018
Salaries & Staff costs	87,762	57,493
Administrative expenses	4,086	4,485
Premises and related costs	32,837	29,920
Professional fees	6,404	9,245
Activities costs	96,969	39,930
Depreciation	18,751	19,998
	246,809	161,071
Unrestricted	153,802	118,099
Restricted	93,007	42,972
	246,809	161,071

5 Investment Income

	2019	2018
	£	£
Bank deposit interest received	504	588

6 Staff Costs and Emoluments

	2019	2018
	£	£
Gross Salaries & Employer's NIC	86,425	56,940
Staff Pensions Costs	1,337	553
Numbers of full time employees or full time equivalents		
Engaged on charitable activities	5	3
Engaged on management and administration	1	1
	6	4

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.

8 Tangible fixed assets

	Renovations	Office Furniture Fittings	Plant & machinery	Total
	£	£	£	£
Asset cost, valuation or revalued amount				
At 1 April 2018	49,602	7,112	29,042	85,756
Additions		1,400	678	2,078
Disposals				-
At 31 March 2019	49,602	8,512	29,720	87,834
Accumulated depreciation				
At 1 April 2018	33,332	2,944	28,760	65,036
Reallocation of brought forward balances	(264)	1,654	(1,390)	-
Charge for the year	16,534	1,418	799	18,751
At 31 March 2019	49,602	6,016	28,169	83,787
Net Book Value at 31 March 2019	-	2,496	1,551	4,047
Net Book Value at 31 March 2018	16,270	4,168	282	20,720

9 Debtors

	2019	2018
	£	£
Prepaid Expenses	9,989	1,521
Trade Debtors	(110)	336
Other debtors	4,961	773
	14,840	2,630

10 Creditors: amounts due within one year

	2019	2018
	£	£
Trade & Operating Creditors	6,520	1,462
Deferred income	22,230	25,605
Accruals	2,586	595
	31,336	27,662

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

	Unrestricted funds	Designated funds	Restricted funds	Total funds
	£	£	£	£
As at 31 March 2019				
Tangible fixed assets	4,047			4,047
Current assets	98,994	25,000	176,140	300,134
Current liabilities	(31,336)			(31,336)
	71,705	25,000	176,140	272,845
Designated funds relate to:				
Improvements to premises		15,000		
Staff costs contingency		10,000		
Purchase of permanent premises			176,140	
As at 1 April 2018				
Tangible fixed assets	20,720			20,720
Current assets	85,930	25,000	176,140	287,070
Current liabilities	(27,661)			(27,661)
	78,989	25,000	176,140	280,129

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

	Incoming resources	Outgoing resources	Movement in funds
	£	£	£
Unrestricted general funds			
Donations	5,953		
Luncheon club	16,160		
Other activities and fundraising	109,154		
Bank interest income	504		
Hall and facilities hire	14,748		
	146,519	(153,802)	(7,283)
Restricted funds			
Luncheon Club (L B Islington)	20,000	(20,000)	-
LB Islington Local initiatives & events	1,000	(1,000)	-
Islington Council VCS	15,000	(15,000)	-
National Lottery Community Fund	57,007	(57,007)	-
	93,007	(93,007)	-
Total	239,526	(246,809)	(7,283)