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**ISLINGTON CHINESE ASSOCIATION**  
**A Company Limited by Guarantee**  
**and**  
**A Registered Charity**

**TRUSTEES' REPORT**  
**AND**  
**FINANCIAL STATEMENTS**

**31ST MARCH 2002**



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**ISLINGTON CHINESE ASSOCIATION**

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**ISLINGTON CHINESE ASSOCIATION**

**LEGAL AND ADMINISTRATIVE INFORMATION  
AS AT 31ST MARCH 2002**

**STATUS**

The company is limited by guarantee without a share capital under registration number 2663906 and is a registered charity under number 1042435.

**TRUSTEES**

The trustees who served during the year were:

Chun Loi So	- Throughout the year
Hans Hung	- " " "
Mee Ling Ng	- " " "
Fiona Au	- " " "
Christine Chin	- " " "
Chun Chan	- Appointed November 2001
Sue Liu	- " " "
Florence Mo	- " " "
Katy Chen	- Resigned July 2002
Stanley Hui	- " November 2001
James Sum	- " July 2001
Yuk Ying Cheung	- " June 2001

The trustees of the charity are also directors of the company and there are no other trustees.

The trustees are all members of the company and collectively comprise the management committee which is the governing body of the company.

**REGISTERED OFFICE**      33 Giesbach Road  
London  
N19 3DA

**BANKERS**                      Lloyds Bank Plc  
31/33 Holloway Road  
London  
N7 8JP

**AUDITORS**                      John Rogers & Co.  
*Chartered Accountants & Registered Auditors*  
232 Leigham Court Road  
London  
SW16 2RB

**ISLINGTON CHINESE ASSOCIATION**  
**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31ST MARCH 2002**

The trustees present their report and the financial statements for the year ended 31st March 2002.

**ACTIVITIES**

The company's principal activity is the pursuance of any charitable object calculated to benefit the community, and in particular members of the Chinese community, within the Borough of Islington.

**ORGANISATION**

The charity is managed by a board of trustees currently comprising 8 members which meets bi-monthly and takes all decisions regarding policy and the direction of the charity. The day to day management is carried out by a co-ordinator and other employees.

**RISK MANAGEMENT**

The trustees are in the process of carrying out a review of the major risks faced by the charity and establishing procedures to mitigate the effect of any risks identified.

**RESERVES POLICY**

The charity relies on funding from the local authority and charitable trusts and such funding is generally short term and subject to fluctuations. Therefore the trustees are aiming to build up the free reserves to the level of approximately six months expenditure to provide some security for periods when there is a shortfall in income.

**REVIEW OF THE YEAR**

In the financial year to 31st March 2002, the Association experienced a substantial fall in funding. Since October 2001, Islington Council had withdrawn all core fundings. Although new funders were identified an successful fundraising events were held, total funds fell by £47,600, a decrease of 27% on the previous year.

In order to meet the pressure of decreased income, we have continued to maintain a tight control on expenses without compromising on our operating efficiencies and quality of services. During the year, expenditure was reduced by £20,800 (13%).

For the first year since incorporation, the Association was met with a deficit of £7,900. Facing this financial challenge, we secured a 3-year funding worth £143,000 from the Lottery Funding effective from October 2002. We are also pursuing other funding applications in order to maintain our commitment to members and the community of Islington.

**FINANCIAL RESULTS**

The results for the year are set out on page 6.

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees are required by law 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 income and expenditure of the charity for that period. In preparing those financial statements, the trustees are required to:

select suitable accounting policies and then apply them consistently;

make judgements and estimates that are prudent;

follow applicable accounting standards;

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 responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act. 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.

ISLINGTON CHINESE ASSOCIATION

TRUSTEES' REPORT (CONT'D)  
FOR THE YEAR ENDED 31ST MARCH 2002

**AUDITORS**

The auditors, John Rogers & Co, are willing to stand for re-appointment and a proposal for their re-appointment will be put to the annual general meeting.

**APPROVAL**

This report was approved by the trustees on *16 November 2002* and signed by

Trustee



**REPORT OF THE AUDITORS TO THE MEMBERS OF  
ISLINGTON CHINESE ASSOCIATION**

We have audited the financial statements on pages 6 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 8.

**Respective responsibilities of the trustees and auditors**

As described on page 3, the charity's trustees who are also the trustees of the company for the purposes of company law are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

**Basis of opinion**

We conducted our audit in accordance with auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we have also evaluated the overall adequacy of the presentation in the financial statements.

**Opinion**

In our opinion the financial statements give a true and fair view of the charity's affairs at 31st March 2002 and of its incoming resources and application of resources, including its income and expenditure, in the period then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.

232 Leigham Court Road  
London, SW16 2RB



John Rogers & Co.  
Chartered Accountants  
and  
Registered Auditors

16 November 2002

**ISLINGTON CHINESE ASSOCIATION**

**STATEMENT OF FINANCIAL ACTIVITIES  
AND  
SUMMARY INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31ST MARCH 2002**

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2002 £	Total Funds 2001 £
<b>INCOME/INCOMING RESOURCES</b>					
Grants and donations	2	7,687	77,290	84,977	125,030
Fundraising		14,872	-	14,872	16,075
Users' contributions		22,751	-	22,751	27,229
Bank interest		837	-	837	1,729
Membership fees		1,656	-	1,656	2,081
Other income		984	-	984	1,550
<b>Total income/incoming resources</b>		<b>48,787</b>	<b>77,290</b>	<b>126,077</b>	<b>173,694</b>
<b>EXPENDITURE/RESOURCES EXPENDED</b>					
Direct charitable expenditure	3	47,312	71,290	118,602	135,883
Costs of generating funds		-	1,563	1,563	4,628
Management of the charity		13,803	-	13,803	14,277
<b>Total expenditure/resources expended</b>		<b>61,115</b>	<b>72,853</b>	<b>133,968</b>	<b>154,788</b>
<b>NET INCOME/INCOMING RESOURCES AND NET MOVEMENT IN FUNDS</b>					
		(12,328)	4,437	( 7,891)	18,906
Funds brought forward		61,647	4,182	65,829	46,923
<b>FUNDS CARRIED FORWARD</b>		<b>49,319</b>	<b>8,619</b>	<b>57,938</b>	<b>65,829</b>

All of the above relates to continuing activities.

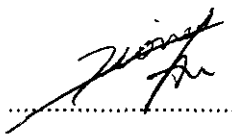
There were no recognised gains or losses apart from the above.

ISLINGTON CHINESE ASSOCIATION

BALANCE SHEET  
AS AT 31ST MARCH 2002

	Note	2002		2001	
		£	£	£	£
<b>CURRENT ASSETS</b>					
Debtors	6	26,928		3,008	
Cash at bank and in hand		40,027		74,663	
		<u>66,955</u>		<u>77,671</u>	
Less:					
<b>CREDITORS: amounts falling due within one year</b>	7	<u>( 9,017)</u>		<u>(11,842)</u>	
<b>NET CURRENT ASSETS</b>			<u>57,938</u>		<u>65,829</u>
			<u>57,938</u>		<u>65,829</u>
<b>FUNDS</b>					
<b>RESTRICTED</b>	8		8,619		4,182
<b>UNRESTRICTED</b>					
Designated funds	9	37,000		35,349	
Other charitable funds		12,319		26,298	
		<u>49,319</u>		<u>61,647</u>	
			<u>57,938</u>		<u>65,829</u>

Approved by the trustees on *16 November 2002* and signed on their behalf by:

  
.....

Trustee



**ISLINGTON CHINESE ASSOCIATION**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH 2002**

**1. ACCOUNTING POLICIES**

- A) The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice - Accounting and Reporting for Charities and other applicable accounting standards.
- B) Furniture and office equipment are written off to revenue in the year of acquisition.
- C) Income is included in the Financial Statements in the year for which it is receivable.
- D) Expenditure is included in the Financial Statements on the accruals basis.

**2. RESTRICTED GRANTS RECEIVABLE**

	<b>Salaries &amp; running Luncheon</b>				<b>2002</b>	<b>2001</b>
	<b>costs</b>	<b>Club</b>	<b>Activities</b>	<b>Publication</b>	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>		<b>£</b>	<b>£</b>
London Borough of Islington						
Race Equality Committee	7,620	-	-	-	7,620	46,644
Social Services Department	-	33,417	-	-	33,417	32,923
Meals on Wheels	-	11,213	-	-	11,213	9,230
Healthy Islington	-	-	1,000	-	1,000	1,000
Arts and Heritage Department	-	-	-	-	-	1,500
Youth & Playschemes	-	-	-	-	-	657
The Tudor Trust	-	10,000	-	-	10,000	-
The Countryside Agency	-	-	8,240	-	8,240	-
Awards for All	-	-	-	5,000	5,000	5,000
City & Islington College	-	-	800	-	800	-
London Borough of Camden	-	-	-	-	-	1,000
Bridge House Estates Trust Fund	-	-	-	-	-	22,000
	<b>7,620</b>	<b>54,630</b>	<b>10,040</b>	<b>5,000</b>	<b>77,290</b>	<b>119,954</b>

**3. EXPENDITURE/RESOURCES EXPENDED**

	<b>Salaries</b>	<b>Activities</b>	<b>Other Costs</b>	<b>2002 Total</b>	<b>2001 Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Direct charitable expenditure	57,461	35,237	25,904	118,602	135,883
Costs of generating funds	563	-	1,000	1,563	4,628
Management of the charity	7,888	-	5,915	13,803	14,277
	<b>65,912</b>	<b>35,237</b>	<b>32,819</b>	<b>133,968</b>	<b>154,788</b>

**4. STAFF COSTS**

	<b>2002</b>	<b>2001</b>
	<b>£</b>	<b>£</b>
Gross salaries	62,717	67,230
National insurance contributions	3,195	4,463
	<b>65,912</b>	<b>71,693</b>
Average number of employees	7	7

ISLINGTON CHINESE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH 2002

5. AUDITORS REMUNERATION

	2002	2001
	£	£
Audit fee (excluding vat)	500	500
Accountancy fees (excluding vat)	500	500

6. DEBTORS

Accrued income	23,576	2,410
Prepayments	3,352	598
	<u>26,928</u>	<u>3,008</u>

7. CREDITORS

Accruals	8,017	10,842
Others	1,000	1,000
	<u>9,017</u>	<u>11,842</u>

8. RESTRICTED FUNDS

	As at	Movement in Resources		As at
	1.4.01	Incoming	Outgoing	31.3.02
	£	£	£	£
Salaries and running costs	-	7,620	( 7,620)	-
Luncheon Club	-	54,630	(54,630)	-
Activities	-	10,040	( 9,040)	1,000
Women's projects	1,470	-	-	1,470
Fundraising	2,712	-	( 1,563)	1,149
Publication	-	5,000	-	5,000
	<u>4,182</u>	<u>77,290</u>	<u>(72,853)</u>	<u>8,619</u>

9. DESIGNATED FUNDS

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

	As at	New	Released/	As at
	1.4.01	Designations	Utilised	31.3.02
	£	£	£	£
Furniture and equipment	1,822	178	-	2,000
Improvements to premises	23,527	1,473	-	25,000
Staff costs contingency fund	10,000	-	-	10,000
	<u>35,349</u>	<u>1,651</u>	<u>-</u>	<u>37,000</u>

ISLINGTON CHINESE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH 2002

10. DETAILED INCOME AND EXPENDITURE ACCOUNT

	2002		2001	
	£	£	£	£
<b>INCOME</b>				
Grants and Donations				
London Borough of Islington				
Race Equality Committee		7,620		46,644
Social Services Department		33,417		32,923
Healthy Islington		1,000		1,000
Arts and Heritage Department		-		1,500
Playscheme		-		657
The Tudor Trust		10,000		-
The Countryside Agency		8,240		-
Awards for All		5,000		5,000
City & Islington College		800		-
Bridge House Estates Trust		-		22,000
London Borough of Camden		-		1,000
Others		7,687		5,076
Fundraising		14,872		16,075
Activities				
General	3,573		8,115	
Luncheon Club/Meals on Wheels	<u>30,391</u>	33,964	<u>28,344</u>	36,459
Membership fees		1,656		2,081
Bank interest		837		1,729
Sundry income		984		1,550
<b>Total income</b>		<u>126,077</u>		<u>173,694</u>
<b>EXPENDITURE</b>				
Salaries		65,912		71,693
Rent and rates		11,600		12,094
Insurance		1,560		1,792
Water rates		933		747
Cleaning		567		1,191
Telephone		913		1,405
Postage		1,036		956
Printing, stationery and equipment		4,312		4,332
Annual report		-		3,500
Travelling and volunteers expenses		2,799		1,404
Light and heat		3,185		2,538
Audit and accountancy		1,175		1,175
Miscellaneous		2,438		3,743
Bank charges		278		308
Millenium Faces project		-		5,000
Activities				
General	385		7,967	
Elderly Club	<u>3,663</u>		<u>2,266</u>	
Womens Group	-	4,048	<u>1,018</u>	11,251
Luncheon Club/Meals on Wheels		31,189		30,043
Repairs and renewals		<u>2,023</u>		<u>1,615</u>
<b>Total expenditure</b>		<u>133,968</u>		<u>154,787</u>
<b>(DEFICIT) SURPLUS FOR THE YEAR</b>		<b>( 7,891)</b>		<b>18,907</b>