

Charity Registration No. 1051778

Company Registration No. 2575177 (England and Wales)

HARINGEY CHINESE CENTRE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

HARINGEY CHINESE CENTRE

LEGAL AND ADMINISTRATIVE INFORMATION

Management Committee	Mr Chan Keung Ho Mr Gavin Fung Mrs Men Lin Chen Ms Winnie Li Mr Khoi Lai Tang Ms Denise Ng Ms Helena Ng Mr Hoi Yat Tsoi
Secretary	Mr Gavin Fung
Charity number	1051778
Company number	2575177
Registered office	211 Langham Road London N15 3LH
Auditor	Bacha & Bacha (Audit) Limited Stirling House 107 Stirling Road London N22 5BN
Bankers	Co-Operative Bank Plc 195 High Road Wood Green London N22 6DP

HARINGEY CHINESE CENTRE

CONTENTS

	Page
Trustees' report	1 - 4
Statement of trustees' responsibilities	5
Independent auditor's report	6 - 8
Statement of financial activities	9
Balance sheet	10 - 11
Notes to the financial statements	12 - 24

HARINGEY CHINESE CENTRE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2021

The trustees present their annual report and financial statements for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charitable company's memorandum of association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The charitable company's objectives and activities of the charity are:

- To promote the benefit of the inhabitants of Haringey and the neighbourhoods and in particular, Chinese people, without distinction of sex or of political, religious or other opinions by associating the local authorities, voluntary organisations and inhabitants in a common effort to advance education and to provide facilities in the interests of social welfare for recreation and leisure time occupation with the objective of improving the conditions of life for the said inhabitants.
- To establish or secure the establishment of a community centre and to maintain and manage, or to co-operate with any local statutory authority in the maintenance and management of such a centre for activities promoted by the association and its constituent bodies in furtherance of the objects.
- To promote good relations in Haringey and its surrounding districts by endeavouring to eliminate discrimination on grounds of race and encouraging equality of opportunity between persons of different racial groups.
- To relieve the poverty of the Chinese community in Haringey by the provision of advice, aid and assistance to improve their quality of life and to help them integrating into the mainstream society.

The activities adopted in furtherance of these objects are the provision of information, advice, advocacy and training; supporting vulnerable members by providing appropriate care, healthy living advice and referral to health services, reducing isolation by developing cultural and social activities and running joint events with Haringey Council and other local community organisations to combat exclusion.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charitable company should undertake. Our Centre has continued to deliver a variety of services to meet the needs of the Chinese community in Haringey and the surrounding boroughs.

HARINGEY CHINESE CENTRE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Achievements and performance

Services and activities provisions carried out during the year were:

- 1) Support advice Service – The Haringey Council funding was terminated on 31 July 2019; but the centre continued to provide the advice and support services to solve our members' problems; helping the local Chinese residents to access different housing related services including prevention of homelessness, housing repairs, rent arrears, tax credits, universal credits, various welfare and benefits claims, education, health services, utilities, social and living, interpretation and telephone enquiries, etc.
- 2) Saturday Chinese School - This year, we continued to provide 2 hours' Chinese language and culture online teaching to our students on Saturday morning between 10:30 to 12:30 because of the uncertainty of the pandemic situation. More than 130 students have registered for different classes from Year 1 to Year 8 IGCSE level this year.
- 3) Volunteers Group - We have recruited many volunteers to help and support our Chinese Community. Their works included teaching English, computing skills, use of mobile phone skills, social dance training or working as the teaching assistants to help our Chinese School teachers during the classroom teaching. All volunteers stopped working from March 2020 following the pandemic outbreak.
- 4) After School club - This year, the usual English and Mathematics tuition classes to improve our students' literacy and numeracy skills have been put on hold since the outbreak of the Covid 19 pandemic from March 2020.
- 5) Pharmacy Collection Service - We worked with a local chemist who collected all the prescriptions from the GPs on behalf of our service users and packed their medications into a blister box system to ensure that they were taking their daily medications safely, punctually and correctly. Following the Covid 19 outbreak in March 2020, the prescriptions are being delivered directly to our clients by the pharmacy.
- 6) Health Talks/Health Exercises/Joint Events - the Acupuncturist, Mr. Ma continued to provide online 'Tai Chi' health exercises two times a week to promote the well-being of our members. From March 2020 all health talks and exercises were done online.
- 7) Women's Group - This service was put on hold from March 2020 following the pandemic outbreak.
- 8) Outings - No activities were planned for this year following the pandemic outbreak from March 2020.

The effectiveness of our services and activities were measured by the outcomes and the feedbacks from our service users. Opinions, comments and suggestions were collected from our members for future initiatives and consideration of project provisions in order to meet the changing needs of the community.

We will continue to provide valuable services and activities for our members and to exploit more funding opportunities to develop more projects provisions. We will work together with Haringey Council and other organisations to promote networking, partnerships, community involvement and cohesion.

Financial review

The charity's total reserves as at the Balance Sheet date was £991,082 (2020 £883,908). Of this £8,394 (2020 £8,394) was restricted and £189,736 (2020 £189,736) was designated funds. Other reserves represent gains from revaluing the investment properties were £467,553 (2020 £345,044). The Charity's free reserves, not invested in fixed assets or designated for other purposes stood at £82,660 (2020 £97,156).

It is the policy of the charitable company that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's unrestricted expenditure, which the trustees believe to be around £50,000. The trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charitable company's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

HARINGEY CHINESE CENTRE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

The charity received total unrestricted income of £74,102 during the year (2020 £136,775). Of this, £30,785 (2020 £54,958) is from the Chinese School and rental income of £25,079 (2020 £24,222).

The charity expended £89,437 (2020 £133,000) on its charitable activities. The costs of running the Centre from which the majority of services are provided were £47,841 (2020: £50,958), none of which is covered by restricted income. The costs of running the school amounted to £42,670 (2019 £43,201).

Governance costs were (£2,273) (2020 £8,609). The governance cost is in credit this year due to the reversal of legal fees accounted back in 2014. The legal fees were being disputed for professional negligence but since they have now passed the 6 years time limit, the directors have decided to write off the fees.

Net income/(loss) for the year, before revaluation on investment properties and transfers between funds amounted to (£15,335) (2020 £3,775).

The trustees have assessed the major risks to which the charitable company is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Plans for future periods

Although our centre's financial income has reduced in the past months since the outbreak of the pandemic and the local lockdowns, it did not prevent us from delivering our planned services by moving the existing face-to-face services online. Staff are working from home and using online or mobile services to satisfy our clients' needs.

In addition, our operating surplus and reserves in the past years have financially secured our sustainability to provide quality services and activities to meet the needs of our members.

Structure, governance and management

The charitable company is a company limited by guarantee, incorporated on 19 January 1991 and registered as Haringey Chinese Centre on 11 December 1995. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr Chan Keung Ho
Mr Gavin Fung
Mrs Men Lin Chen
Ms Winnie Li
Mr Khoi Lai Tang
Ms Denise Ng
Ms Helena Ng
Mr Hoi Yat Tsoi

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

HARINGEY CHINESE CENTRE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

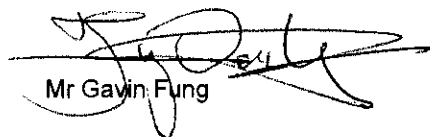
The Centre has a Management Committee of up to 8 members who meet approximately every 2 or 3 months and are responsible for the strategic direction and policy of the charity. Since the pandemic outbreak from March 2020, it was not possible for the management committee to meet up together; all the discussions and decisions were approved by emails or orally over the phone. Day to day responsibility for the provision of the services are run by the Centre Manager and supported by other staff and the Management Committee. Recruitment of volunteers is through website, newsletters or by recommendations by members. Volunteers Services were put on hold since the pandemic outbreak.

All members of the Management Committee give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in the notes to the accounts.

Auditor

Bacha & Bacha (Audit) Limited were appointed as auditor to the company and a resolution proposing that they be re-appointed will be put at a General Meeting.

The trustees' report was approved by the Board of Trustees.


Mr Gavin Fung

23 March 2022

HARINGEY CHINESE CENTRE

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2021

The trustees, who are also the directors of Haringey Chinese Centre for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for maintaining proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware; and
- The trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

HARINGEY CHINESE CENTRE

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF HARINGEY CHINESE CENTRE

Opinion

We have audited the financial statements of Haringey Chinese Centre (the 'charitable company') for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

HARINGEY CHINESE CENTRE

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF HARINGEY CHINESE CENTRE

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.
- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charitable company for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

The trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly, we have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

HARINGEY CHINESE CENTRE

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF HARINGEY CHINESE CENTRE

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and the regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Yogendra Nath Bacha BA (Hons) BFP FCA (Senior Statutory Auditor)
for and on behalf of Bacha & Bacha (Audit) Limited

23 March 2022

Chartered Accountants
Statutory Auditor

Stirling House
107 Stirling Road
London
N22 5BN

HARINGEY CHINESE CENTRE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
	Notes						
Income and endowments from:							
Donations and legacies	2	8,108	-	8,108	6,808	-	6,808
Charitable activities	3	30,785	-	30,785	61,357	29,270	90,627
Investments	4	25,696	-	25,696	25,013	-	25,013
Other income	5	9,513	-	9,513	14,327	-	14,327
Total income		74,102	-	74,102	107,505	29,270	136,775
Expenditure on:							
Charitable activities	6	89,437	-	89,437	103,730	29,270	133,000
Net gains/(losses) on investments	10	112,509	-	112,509	122,757	-	122,757
Net income for the year/ Net movement in funds		97,174	-	97,174	126,532	-	126,532
Fund balances at 1 April 2020		875,514	8,394	883,908	748,982	8,394	757,376
Fund balances at 31 March 2021		972,688	8,394	981,082	875,514	8,394	883,908

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

HARINGEY CHINESE CENTRE

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	11	242,739		243,578	
Investment properties	12	578,266		465,757	
		<u>821,005</u>		<u>709,335</u>	
Current assets					
Debtors	13	16,145		13,919	
Cash at bank and in hand		156,543		174,287	
		<u>172,688</u>		<u>188,206</u>	
Creditors: amounts falling due within one year	14	<u>(12,611)</u>		<u>(13,633)</u>	
Net current assets			160,077		174,573
Total assets less current liabilities			<u>981,082</u>		<u>883,908</u>
Income funds					
Restricted funds	15		8,394		8,394
<u>Unrestricted funds</u>					
Designated funds		189,736		189,736	
Other reserves		467,553		345,044	
General unrestricted funds		325,399		340,734	
Unrestricted funds	17	<u>972,688</u>		<u>875,514</u>	
			<u>972,688</u>		<u>875,514</u>
			<u>981,082</u>		<u>883,908</u>

HARINGEY CHINESE CENTRE

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2021

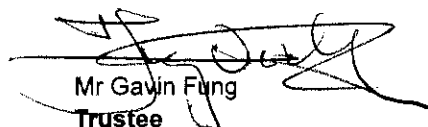
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2021, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 23 March 2022


Mr Gavin Fung
Trustee

Company Registration No. 2575177

HARINGEY CHINESE CENTRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Charity information

Haringey Chinese Centre is a private company limited by guarantee incorporated in England and Wales. The registered office is 211 Langham Road, London, N15 3LH.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charitable company's [governing document], the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charitable company is a Public Benefit Entity as defined by FRS 102.

The charitable company has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charitable company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

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

HARINGEY CHINESE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

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

1.5 Expenditure

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

Expenditure on charitable activities includes the costs of running the school, running the centre and the services it provides, the cost of working within the wider community and other activities undertaken to further the purposes of the charity and their associated support costs.

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

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's artistic programmes and activities. These costs have been allocated between expenditure on charitable activities. The bases on which support costs have been allocated are set out in the notes.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings	not depreciated
Plant and equipment	25% reducing balance

Freehold land is not depreciated. Freehold property is not depreciated due to high residual value of the property.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

1.8 Impairment of fixed assets

At each reporting end date, the charitable company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

HARINGEY CHINESE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.10 Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charitable company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

1.11 Taxation

The charity is exempt from corporation tax on its charitable activities.

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

HARINGEY CHINESE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

2 Donations and legacies

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Donations and gifts	8,108	6,808

3 Charitable activities

	School 2021 £	Total 2021 £	Advice 2020 £	School Outings and events 2020 £	Total 2020 £
Sales within charitable activities	30,785	30,785	-	54,958	54,958
Services provided under contract	-	-	14,185	-	14,185
Other income	-	-	-	21,484	21,484
	<u>30,785</u>	<u>30,785</u>	<u>14,185</u>	<u>54,958</u>	<u>90,627</u>
Analysis by fund					
Unrestricted funds - general	30,785	30,785	-	54,958	61,357
Restricted funds	-	-	14,185	-	29,270
	<u>30,785</u>	<u>30,785</u>	<u>14,185</u>	<u>54,958</u>	<u>90,627</u>

4 Investments

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Rental income	25,079	24,222
Interest receivable	617	791
	<u>25,696</u>	<u>25,013</u>

HARINGEY CHINESE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

5 Other income

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Accupuncture	8,798	14,327
Other income	715	-
	<u>9,513</u>	<u>14,327</u>

HARINGEY CHINESE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

6 Charitable activities

	Advice 2021 £	School 2021 £	Centre activities 2021 £	Total 2021 £	Advice 2020 £	School 2020 £	Outings 2020 £	Centre activities 2020 £	Total 2020 £
Staff costs	-	32,014	40,745	72,759	14,185	26,052	2,442	40,706	83,385
Depreciation and impairment	841	-	-	841	941	-	-	-	941
Premises costs	-	-	-	-	-	5,600	-	-	5,600
Insurance	-	299	-	299	-	497	-	-	497
School expenses	-	2,867	-	2,867	-	3,960	-	-	3,960
Activities and events	-	-	-	-	-	-	18,113	-	18,113
	841	35,180	40,745	76,766	15,126	36,109	20,555	40,706	112,496
Share of support costs (see note 7)	-	6,575	8,369	14,944	1,785	3,806	357	5,947	11,895
Share of governance costs (see note 7)	-	(1,000)	(1,273)	(2,273)	1,291	2,755	258	4,305	8,609
	841	40,755	47,841	89,437	18,202	42,670	21,170	50,958	133,000
Analysis by fund									
Unrestricted funds - general	841	40,755	47,841	89,437	4,017	42,670	6,085	50,958	103,730
Restricted funds	-	-	-	-	14,185	-	15,085	-	29,270
	841	40,755	47,841	89,437	18,202	42,670	21,170	50,958	133,000

HARINGEY CHINESE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

7 Support costs

	Support costs	Governance costs	2021	Support costs	Governance costs	2020
	£	£	£	£	£	£
Premises costs	2,400	-	2,400	2,033	-	2,033
Insurance	2,177	-	2,177	2,453	-	2,453
Printing, postage and stationery	48	-	48	101	-	101
Repairs and maintenance	4,190	-	4,190	1,156	-	1,156
Telephone	4,438	-	4,438	4,416	-	4,416
Computer and website	261	-	261	97	-	97
Staff costs	-	-	-	367	-	367
Professional fees and subscriptions	1,005	-	1,005	1,028	-	1,028
Sundry expenses	269	-	269	88	-	88
Bank charges	156	-	156	156	-	156
Audit fees	-	5,724	5,724	-	6,162	6,162
Legal and professional	-	(7,997)	(7,997)	-	1,932	1,932
Donations	-	-	-	-	465	465
Sundry expenses	-	-	-	-	50	50
	<u>14,944</u>	<u>(2,273)</u>	<u>12,671</u>	<u>11,895</u>	<u>8,609</u>	<u>20,504</u>
Analysed between						
Charitable activities	<u>14,944</u>	<u>(2,273)</u>	<u>12,671</u>	<u>11,895</u>	<u>8,609</u>	<u>20,504</u>

Governance costs includes payments to the auditors of £5,724 (2020- £6,162) for audit fees.

HARINGEY CHINESE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charitable company during the year.

Travelling expenses totalling £Nil (2020 £72) was reimbursed to three trustees during the year.

9 Employees

Number of employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Full time staff working in the management of the centre	2	3
Part-time cleaners, cooks and carers	-	4
Part-time teachers	8	15
	<u>10</u>	<u>22</u>

Employment costs

	2021 £	2020 £
Wages and salaries	70,598	78,481
Social security costs	1,620	3,427
Other pension costs	541	1,477
	<u>72,759</u>	<u>83,385</u>

There were no employees whose annual remuneration was £60,000 or more.

10 Net gains/(losses) on investments

	Unrestricted funds Other reserves 2021 £	Unrestricted funds general 2020 £
Revaluation of investment properties	<u>112,509</u>	<u>122,757</u>

HARINGEY CHINESE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

11 Tangible fixed assets

	Land and buildings £	Plant and equipment £	Total £
Cost			
At 1 April 2020	240,223	97,915	338,138
At 31 March 2021	240,223	97,915	338,138
Depreciation and impairment			
At 1 April 2020	-	94,560	94,560
Depreciation charged in the year	-	839	839
At 31 March 2021	-	95,399	95,399
Carrying amount			
At 31 March 2021	240,223	2,516	242,739
At 31 March 2020	240,223	3,355	243,578

The asset under the heading of land and buildings is the property at 211 Langham Road which is shown at cost. It has an estimated market value of £408,875.

12 Investment property

	2021 £
Fair value	
At 1 April 2020	465,757
Net gains through fair value adjustments	112,509
At 31 March 2021	578,266

Investment property comprises two retail units in Langham Parade and Langham Road, London. The fair value of the investment property has been arrived at on the basis of a valuation carried out by Property Price Advice, who are not connected with the charitable company. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

If investment properties were stated on an historical cost basis rather than a fair value basis, the amounts would have been £120,713.

13 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	1,750	1,000
Other debtors	12,587	10,812
Prepayments and accrued income	1,808	2,107
	<u>16,145</u>	<u>13,919</u>

HARINGEY CHINESE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

14 Creditors: amounts falling due within one year

	2021 £	2020 £
Other taxation and social security	1,432	-
Other creditors	(59)	8,132
Accruals and deferred income	11,238	5,501
	<u>12,611</u>	<u>13,633</u>

15 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds		
	Balance at 1 April 2020 £	Incoming resources £	Balance at 31 March 2021 £
Centre development fund	8,394	-	8,394
	<u>8,394</u>	<u>-</u>	<u>8,394</u>

Centre development fund is money given for the development of the centre.

16 Unrestricted funds - Other reserves

The income funds of the charity include other reserves which are gains arising from fair value adjustments of the investment properties

	Movement in funds			
	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Balance at 31 March 2021 £
Other reserves	(345,044)	(112,509)	-	(457,553)

HARINGEY CHINESE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

17 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds		
	Balance at 1 April 2020	Incoming resources	Balance at 31 March 2021
	£	£	£
Dilapidations	35,000	-	35,000
Centre development fund	154,736	-	154,736
	<u>189,736</u>	<u>-</u>	<u>189,736</u>

The dilapidation fund is fund designated for the maintenance of the centre's two investment properties.

Centre development fund is fund designated for the development of the centre.

HARINGEY CHINESE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

18 Analysis of net assets between funds	Unrestricted funds		Designated funds		Restricted funds		Other reserves		Total Unrestricted funds		Designated funds		Restricted funds		Other reserves		Total	
	2021	£	2021	£	2021	£	2021	£	2021	£	2021	£	2021	£	2021	£	2020	£
Fund balances at 31 March 2021 are represented by:																		
Tangible assets	242,739		-		-		-		242,739		-		-		-		243,578	
Investment properties	-		120,713		-		457,553		578,266		120,713		-		222,287		465,757	
Current assets/(liabilities)	82,660		69,023		8,394		-		160,077		69,023		8,394		-		174,573	
	325,399		189,736		8,394		457,553		981,082		189,736		8,394		222,287		883,908	

HARINGEY CHINESE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

19 Operating lease commitments

At the reporting end date the charitable company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 £	2020 £
Within one year	2,044	2,044
Between two and five years	3,236	5,281
	<u>5,280</u>	<u>7,325</u>

Lessor

The operating leases represent leases of retail premises to third parties. The leases are negotiated over terms of 3-5 years and rentals are fixed for the term of the lease.

At the reporting end date the charitable company had contracted with tenants for the following minimum lease payments:

	2021 £	2020 £
Within one year	23,000	20,083
Between two and five years	89,083	-
	<u>112,083</u>	<u>20,083</u>

20 Events after the reporting date

Following the outbreak of the Coronavirus pandemic, various lockdowns and social distancing rule, the charity's income for 2021 has been adversely impacted. Many events and activities could not be organised. However, the school classes continued to be done remotely.

21 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).