

Charity registration number 1051778

Company registration number 2575177 (England and Wales)

**HARINGEY CHINESE CENTRE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

# HARINGEY CHINESE CENTRE

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Management Committee</b>	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
<b>Secretary</b>	Ms Winnie Li
<b>Charity number</b>	1051778
<b>Company number</b>	2575177
<b>Registered office</b>	211 Langham Road London N15 3LH
<b>Auditor</b>	Bacha & Bacha (Audit) Limited
<b>Bankers</b>	Co-Operative Bank Plc 195 High Road Wood Green London N22 6DP

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# HARINGEY CHINESE CENTRE

## CONTENTS

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	Page
Trustees' report	1 - 4
Statement of trustees' responsibilities	5
Independent auditor's report	6 - 9
Statement of financial activities	10 - 11
Balance sheet	12
Notes to the financial statements	13 - 28

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# **HARINGEY CHINESE CENTRE**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)**

### ***FOR THE YEAR ENDED 31 MARCH 2023***

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The trustees present their annual report and financial statements for the year ended 31 March 2023.

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 is dedicated to advancing the well-being of the residents of Haringey and its surrounding neighborhoods, with a particular focus on the Chinese community. Our objectives include fostering cooperation among local authorities, voluntary organisations, and residents to enhance education and provide facilities for social welfare, recreation, and leisure activities. The overarching goal is to elevate the quality of life for individuals, irrespective of gender, political affiliations, religious beliefs, or other opinions.

To achieve these objectives, we aim to establish a community centre and collaborate with local statutory authorities for its maintenance and management. Additionally, we strive to cultivate positive relationships in Haringey and its environs by combating discrimination based on race, promoting equality of opportunity, and addressing poverty within the Chinese community through the provision of advice, aid, and assistance.

Our commitment extends to facilitating the integration of the Chinese community into mainstream society, fostering community involvement, and promoting cohesion. The policies implemented to fulfil these objectives encompass the provision of information, advice, advocacy, and training. We support vulnerable members by offering appropriate care, providing advice on healthy living, and facilitating referrals to health services. Furthermore, we address social isolation by organising cultural and social activities, along with joint events in collaboration with Haringey Council and other local community organisations to combat exclusion.

In alignment with guidance from the Charity Commission, the trustees have carefully considered the activities undertaken by the charitable company. Our centre remains steadfast in delivering a diverse range of services to meet the evolving 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 2023

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### Achievements and performance

Services and activities provisions carried out during the year were:

- 1) Support Advice Service – We continued to provide the advice and support services for 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 - We continued to offer 2 hours' Chinese language and culture teaching to our students on Saturday morning between 10:30 a.m. to 12:30 p.m. We provided physical face-to-face teaching for 3 levels (Year 1, 5 & 8 IGCSE) at our centre and the other 5 levels (Year 2, 3, 4, 6 & 7) were taught online. This year we had 119 students enrolled for different classes from Year 1 to Year 8 IGCSE level.
- 3) Walk Event – With a donation from a donor (Ms Lee Pitkin), we organised a weekly 'Walk' event for our older members in August 2022 to support their mental health and emotional well being, helping them to relieve from anxiety, fear and isolation at home.
- 4) Pharmacy Collection Service - We continued to work 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 our clients were taking their daily medications safely, punctually and correctly.
- 5) Acupuncture services - We continued to work with the acupuncturist, Mr Ma, who rents our offices to run the acupuncture treatments 3 times a week from Monday to Wednesday for his clients. He also provided 'Qigong' classes for our members to promote self-practice well being.
- 6) Health Talks/Health Exercises - The Acupuncturist, Mr Ma continued to provide 'Tai Chi' exercise classes 3 times a week from Monday to Wednesday. Online teaching is held in the morning between 9 a.m. to 10 a.m. The physical face-to-face teaching is held in the evening between 6 p.m. to 7 p.m.
- 7) After School Club - This year, the English and Mathematics tutorial classes to improve students' literacy and numeracy skills were cancelled due to insufficient learners to cover the tutors' wages. Some students came to attend the "Tai Chi" health exercise classes in weekdays after school.

The effectiveness of our services was 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 to meet the changing needs of the Chinese community.

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 £771,112 (2022 £1,206,357). Of this £10,246 (2022 £10,551) was restricted and £189,736 (2022 £189,736) was designated funds. Other reserves, representing gains from revaluing the investment properties, were £289,287 (2022 £702,042). The Charity's free reserves, not invested in fixed assets or designated for other purposes stood at £39,503 (2022 £61,917).

### Reserves policy

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 estimate to be around £50,000. The trustees consider 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 2023

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The charity received total unrestricted income of £79,845 during the year (2022 £70,825). Of this, £28,394 (2022 £25,640) is from the Chinese School and rental income of £24,777 (2022 £23,727).

The charity expended £103,335 (2022 £93,039) on its charitable activities. The costs of running the Centre from which the majority of services are provided were £42,442 (2022 £40,719), none of which is covered by restricted income. The costs of running the school amounted to £53,559 (2022 £50,377).

Governance costs were £10,807 (2022 £7,575).

Net deficit for the year, before revaluation of investment properties and transfers between funds amounted to £22,490 (2022 (£19,214)).

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, it did not prevent us from delivering our planned services. 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. We will exploit more funding opportunities to develop more project provisions. We will work together with Haringey Council, other statutory and non-statutory organisations to promote networking, partnerships, community involvement and cohesion.

#### 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.

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. Day to day responsibility for the services provisions is run by the Centre Manager and supported by other staff and the Management Committee. 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.

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.

# HARINGEY CHINESE CENTRE

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

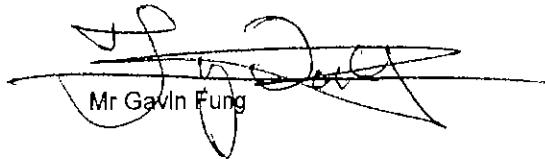
**FOR THE YEAR ENDED 31 MARCH 2023**

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### **Disclosure of information to auditor**

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

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



Mr Gavin Fung

20 December 2023

# **HARINGEY CHINESE CENTRE**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

***FOR THE YEAR ENDED 31 MARCH 2023***

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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 MEMBERS OF HARINGEY CHINESE CENTRE

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#### Opinion

We have audited the financial statements of Haringey Chinese Centre (the 'charitable company') for the year ended 31 March 2023 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 2023 and of its incoming resources and application of resources, including its income and expenditure, 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, including the trustees' 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, except to the extent otherwise explicitly stated in our report, 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 MEMBERS OF HARINGEY CHINESE CENTRE**

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#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

#### **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 Companies Act 2006 requires us to report to you if, in our opinion:

- 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
- 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.
- we have not obtained all the information and explanations necessary for the purposes of our audit; or
- 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.

#### **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**

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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

# **HARINGEY CHINESE CENTRE**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBERS OF HARINGEY CHINESE CENTRE**

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Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company,
- we assessed the extent of compliance with the laws and regulations identified through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining accounting estimates were indicative of potential bias;
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;
- reviewing correspondence with HMRC.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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 MEMBERS OF HARINGEY CHINESE CENTRE**

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### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Yogendranath Bacha BA (Hons) BFP FCA (Senior Statutory Auditor)**  
for and on behalf of Baona & Bacha (Audit) Limited

20 December 2023

**Chartered Accountants  
Statutory Auditor**

# HARINGEY CHINESE CENTRE

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

		Unrestricted funds	Restricted funds	All restricted and unrestricted funds	Unrestricted funds	Restricted funds	All restricted and unrestricted funds
		2023	2023	2023	2022	2022	2022
Notes		£	£	£	£	£	£
<b>Income and endowments from:</b>							
Donations and legacies	2	7,250	1,000	8,250	2,920	3,000	5,920
Charitable activities	3	28,394	-	28,394	25,640	-	25,640
Rental income	4	24,777	-	24,777	23,727	-	23,727
Investments	5	175	-	175	54	-	54
Other income	6	19,249	-	19,249	18,484	-	18,484
<b>Total income</b>		<b>79,845</b>	<b>1,000</b>	<b>80,845</b>	<b>70,825</b>	<b>3,000</b>	<b>73,825</b>
<b>Expenditure on:</b>							
Charitable activities	7	96,002	432	96,434	90,082	843	90,925
Rental expenditure	11	2,708	-	2,708	2,114	-	2,114
Tax on rental activities		4,193	-	4,193	-	-	-
<b>Total expenditure</b>		<b>102,903</b>	<b>432</b>	<b>103,335</b>	<b>92,196</b>	<b>843</b>	<b>93,039</b>
Net gains/(losses) on investments	12	(412,755)	-	(412,755)	244,489	-	244,489
<b>Net (outgoing)/incoming resources before transfers</b>		<b>(435,813)</b>	<b>568</b>	<b>(435,245)</b>	<b>223,118</b>	<b>2,157</b>	<b>225,275</b>
Gross transfers between funds		873	(873)	-	-	-	-
<b>Net (expenditure)/income for the year</b>		<b>(434,940)</b>	<b>(305)</b>	<b>(435,245)</b>	<b>223,118</b>	<b>2,157</b>	<b>225,275</b>
<b>Net movement in funds</b>		<b>(434,940)</b>	<b>(305)</b>	<b>(435,245)</b>	<b>223,118</b>	<b>2,157</b>	<b>225,275</b>
Fund balances at 1 April 2022		1,195,806	10,551	1,206,357	972,688	8,394	981,082
<b>Fund balances at 31 March 2023</b>		<b>760,866</b>	<b>10,246</b>	<b>771,112</b>	<b>1,195,806</b>	<b>10,551</b>	<b>1,206,357</b>

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

# **HARINGEY CHINESE CENTRE**

## **STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT**

***FOR THE YEAR ENDED 31 MARCH 2023***

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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 2023

	Notes	2023 £	£	2022 £	£
<b>Fixed assets</b>					
Tangible assets	14		242,340		242,111
Investment properties	15		410,000		822,755
			<u>652,340</u>		<u>1,064,866</u>
<b>Current assets</b>					
Debtors	16	5,777		3,427	
Cash at bank and in hand		126,114		141,853	
			<u>131,891</u>		<u>145,280</u>
<b>Creditors: amounts falling due within one year</b>	18	(13,119)		(3,789)	
Net current assets			<u>118,772</u>		<u>141,491</u>
<b>Total assets less current liabilities</b>			<u>771,112</u>		<u>1,206,357</u>
<b>Income funds</b>					
Restricted funds	19		10,246		10,551
<b>Unrestricted funds</b>					
Designated funds	20	189,736		189,736	
Other reserves	21	289,287		702,042	
General unrestricted funds		281,843		304,028	
			<u>760,866</u>		<u>1,195,806</u>
Unrestricted funds				<u>1,195,806</u>	
			<u>760,866</u>		<u>1,195,806</u>
			<u>771,112</u>		<u>1,206,357</u>

The financial statements were approved by the Trustees on 20 December 2023

Mr Gavin Fung  
Trustee

Company Registration No. 2575177

# HARINGEY CHINESE CENTRE

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 MARCH 2023**

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### **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.

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.



# HARINGEY CHINESE CENTRE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

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### 1 Accounting policies

(Continued)

#### 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 2023

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#### 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 tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. The charity's rental income is not part of the charity's primary purpose. If the rental income is within the small trading tax exemption, the whole rental income will not be taxable but if the rental income is higher than the exemption limits then tax will be payable on the profit of that trade.

# HARINGEY CHINESE CENTRE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 1 Accounting policies (Continued)

#### 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.

### 2 Donations and legacies

	Unrestricted funds general 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds general 2022 £	Restricted funds 2022 £	Total 2022 £
Donations and gifts	7,250	1,000	8,250	2,920	3,000	5,920

### 3 Charitable activities

	School 2023 £	Total 2023 £	School 2022 £
Sales within charitable activities	28,394	28,394	25,640

### 4 Rental Income

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
Rental income	24,777	23,727

### 5 Investments

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
Interest receivable	175	54

# HARINGEY CHINESE CENTRE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

*FOR THE YEAR ENDED 31 MARCH 2023*

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**6 Other income**

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
Accupuncture	19,249	18,484

# HARINGEY CHINESE CENTRE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

7 Charitable activities	School 2023 £	Outings 2023 £	Centre activities 2023 £	Total 2023 £	School 2022 £	Outings 2022 £	Centre activities 2022 £	Total 2022 £
Staff costs	42,680	-	30,323	73,003	37,984	-	30,594	68,578
Depreciation and impairment	-	-	643	643	-	-	626	626
Outings expenses	-	432	-	432	-	843	-	843
School expenses	1,784	-	-	1,784	2,612	-	-	2,612
Charitable activities expenses	-	-	2,667	2,667	-	-	-	-
	44,464	432	33,633	78,529	40,596	843	31,220	72,659
Share of support costs (see note 8)	5,865	-	5,680	11,545	5,131	-	5,560	10,691
Share of governance costs (see note 8)	3,231	-	3,129	6,360	3,636	-	3,939	7,575
	53,560	432	42,442	96,434	49,363	843	40,719	90,925
<b>Analysis by fund</b>								
Unrestricted funds - general	53,560	-	42,442	96,002	49,363	-	40,719	90,082
Restricted funds	-	432	-	432	-	843	-	843
	53,560	432	42,442	96,434	49,363	843	40,719	90,925

# HARINGEY CHINESE CENTRE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

8 Support costs	Support costs £	Governance costs £	2023 £	Support costs £	Governance costs £	2022 £
Premises costs	3,987	-	3,987	2,486	-	2,486
Insurance	1,171	-	1,171	1,109	-	1,109
Printing, postage and stationery	281	-	281	270	-	270
Repairs and maintenance	505	-	505	552	-	552
Telephone	4,677	-	4,677	4,496	-	4,496
Computer and website	534	-	534	1,079	-	1,079
Staff costs	-	-	-	52	-	52
Professional fees and subscriptions	160	-	160	343	-	343
Sundry expenses	73	-	73	33	-	33
Bank charges	156	-	156	271	-	271
Audit fees	-	6,360	6,360	-	7,575	7,575
	11,544	6,360	17,904	10,691	7,575	18,266
Analysed between Charitable activities	11,544	6,360	17,904	10,691	7,575	18,266

Governance costs includes payments to the auditors of £6,360 (2022- £7,575) for audit fees.

# HARINGEY CHINESE CENTRE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 9 Trustees

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

### 10 Employees

#### Number of employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Full time staff working in the management of the centre	2	2
Part-time teachers	9	8
	<u>11</u>	<u>10</u>

#### Employment costs

	2023 £	2022 £
Wages and salaries	71,201	66,505
Social security costs	1,214	1,539
Other pension costs	588	534
	<u>73,003</u>	<u>68,578</u>

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

### 11 Rental expenditure

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
Property insurance	1,256	1,050
Staff wages	1,198	1,064
Accountancy fees	254	-
	<u>2,708</u>	<u>2,114</u>

This year, the company's rental income is subject to corporation tax as it has exceeded the small trading exemption. The expenses relating to the rental activities are now shown separately. All comparative expenses for 2022 were reclassified. They were previously included in the expenses allocated to the centre.

# HARINGEY CHINESE CENTRE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2023

#### 13 Taxation

This year, the charity's rental income is not exempt from tax within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 as it represents more than 25% of the total income.

	2023 £	2022 £
UK corporation tax on profits for the current period	4,193	-
Total tax charge	<u>4,193</u>	<u>-</u>

The charge for the year can be reconciled to the profit per the profit and loss account as follows:

	2023 £
Rental income	24,777
Less rental expenditure	<u>(2,708)</u>
Profit before taxation	<u>22,069</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19%	4,193
Taxation charge in the financial statements	<u>4,193</u>



# HARINGEY CHINESE CENTRE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 14 Tangible fixed assets

	Land and buildings £	Plant and equipment £	Total £
<b>Cost</b>			
At 1 April 2022	240,223	97,915	338,138
Additions	-	873	873
At 31 March 2023	240,223	98,788	339,011
<b>Depreciation and impairment</b>			
At 1 April 2022	-	96,027	96,027
Depreciation charged in the year	-	644	644
At 31 March 2023	-	96,671	96,671
<b>Carrying amount</b>			
At 31 March 2023	240,223	2,117	242,340
At 31 March 2022	240,223	1,888	242,111

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 £650,000.

### 15 Investment property

	2023 £
<b>Fair value</b>	
At 1 April 2022	822,755
Net gains/(loss) through fair value adjustments	(412,755)
At 31 March 2023	410,000

Investment property comprises two ground floor 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 Capital Homes, 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.

### 16 Debtors

	2023 £	2022 £
<b>Amounts falling due within one year:</b>		
Trade debtors	1,750	750
Other debtors	2,219	869
Prepayments and accrued income	1,808	1,808
	5,777	3,427

# HARINGEY CHINESE CENTRE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 17 Loans and overdrafts

	2023 £	2022 £
Bank overdrafts	-	1,829
Payable within one year	-	1,829

### 18 Creditors: amounts falling due within one year

	Notes	2023 £	2022 £
Bank overdrafts	17	-	1,829
Corporation tax payable		4,193	-
Other taxation and social security		2,444	(4,000)
Accruals and deferred income		6,482	5,960
		13,119	3,789

# HARINGEY CHINESE CENTRE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

### 19 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:

	Balance at 1 April 2022	Movement in funds			Transfers	Balance at 31 March 2023
		Incoming resources	Resources expended			
	£	£	£	£	£	£
Centre development fund	8,394	-	-	(873)	8,394	
	1,157	1,000	(432)	-	1,725	
Outing	10,551	1,000	(432)	(873)	10,246	

Centre development fund is money given for the development of the centre. This year, restricted funds were used to purchase computer equipment and furniture for the school. This prompted a transfer from the restricted funds to unrestricted funds as the assets will be used for a general purpose.

# HARINGEY CHINESE CENTRE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 20 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:

	Balance at 1 April 2022	Movement In funds Incoming resources	Balance at 31 March 2023
	£	£	£
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.

### 21 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

	Balance at 1 April 2022	Resources expended	Revaluations, gains and losses	Balance at 31 March 2023
	£	£	£	£
Other reserves	<u>702,042</u>	<u>-</u>	<u>(412,755)</u>	<u>289,287</u>

# HARINGEY CHINESE CENTRE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

22 Analysis of net assets between funds	Unrestricted funds		Designated funds		Restricted funds		Other reserves		Total Unrestricted funds		Designated funds		Restricted funds		Other reserves		Total	
	2023	£	2023	£	2023	£	2023	£	2023	£	2023	£	2023	£	2023	£	2022	£
Fund balances at 31 March 2023 are represented by:																		
Tangible assets	242,340		-		-		-		242,340		-		-		-		242,111	
Investment properties	-		120,713		-		289,287		410,000		120,713		-		222,287		822,755	
Current assets/(liabilities)	39,503		69,023		10,246		-		118,772		69,023		10,551		-		141,491	
	281,843		189,736		10,246		289,287		771,112		189,736		10,551		222,287		1,206,357	

# HARINGEY CHINESE CENTRE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2023

#### 23 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:

	2023 £	2022 £
Within one year	2,044	2,044
Between two and five years	1,022	3,066
	<u>3,066</u>	<u>5,110</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:

	2023 £	2022 £
Within one year	23,000	23,000
Between two and five years	43,083	66,083
	<u>66,083</u>	<u>89,083</u>

#### 24 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).