

Charity number: 1061197
Company number: 03149791

**U K Federation of Chinese Schools
(A company limited by guarantee)**

**Trustees' report and financial statements
for the year ended 31 December 2020**

U K Federation of Chinese Schools
(A company limited by guarantee)

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U K Federation of Chinese Schools
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Legal and administrative information

Charity number 1061197

Company registration number 03149791

Registered office 8 Thamesdale
London Colney
Herts.
AL2 1TB

Trustees	Ms. Wai Yin Chung Chan	President
	Mr. Chak Lam Chung	Treasurer
	Mrs. Mei Sim Merry	Secretary
	Mr. Guo Zhen He	
	Ms. Ching Wan Amy Li	
	Mrs Thuc Van Phan	(Appointed 31 October 2020)

Secretary Mrs. Mei Sim Merry

Accountants Alan Tsang Chartered Accountant
8 Thamesdale
London Colney
St Albans
Hertfordshire
AL2 1TB

U K Federation of Chinese Schools
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Report of the trustees (incorporating the directors' report)
for the year ended 31 December 2020

The trustees present their report and the financial statements for the year ended 31 December 2020. The trustees who are also directors of U K Federation of Chinese Schools are listed on page 1. For the purposes of company law, the trustees have had served during the year and up to the date of this report.

Structure, governance and management

Legal structure

UK Federation of Chinese Schools is a registered charity and company limited by guarantee with no share capital. The liability of members in the event of insolvent liquidation is limited to £1 each. The Charity's governing document is its Memorandum and Articles of Association incorporated 23 January 1996, as amended by special resolution on 13 February 1997.

Governance and management

The Charity is governed by its Executive Committee. The Executive Committee members are elected by the membership at the Annual General Meeting or co-opted between meetings and subject to election at the following AGM. Executive Committee members serve for a period of three years but are eligible for re-election.

Objectives and activities

Charitable objectives

The UK Federation of Chinese Schools (UKFCS), founded in January 1996, is a charity that aims to promote, through its member schools, Chinese language education and Chinese culture. Since its formation, its membership has continued to increase. But over the last two years, the number of member schools remains approximately the same. Today approximately 70+ schools and associates are members of the organisation, representing over 10,000 pupils within UK.

Achievements and performance

Organisation structure

The UKFCS has a constituted Executive Committee that oversees the work for the Federation. There are 9 elected members from 3 different regions to carry out the duties set out by the Federation. The Executive Committee members are supported by sub-committees running different activities for the members

Sub committees

The existing sub-committees includes Education Committee, Cultural and Recreation committee, Fund Raising committees, Sales committee, Friends of UKFCS sub-committee and Public Examinations Research Group. Each committee are chaired by an Executive Committee member.

Sales Committee; the objectives of this committee is to reduce production cost and increase sales target. In 2020, the team continued to look at cost reduction opportunity but at the same time explore opportunity to increase the sales of the book. By using a Print-on-demand company, the organisation reduced the book stocks and minimised the effort to distribute our publications.

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Report of the trustees (incorporating the directors' report)
for the year ended 31 December 2020

Fundraising committees; to assist the UKFCS with fund raising to resource projects and activities which benefit Chinese Schools, pupils and the wider community.

Education Committee; currently there are 10 members in the committee. The main tasks are to provide teaching materials for teachers, to improve their effectiveness in teaching and develop innovative practices in the teaching and learning of Chinese.

As the Covid-19, we don't have any teacher training in 2020 year. The 'Let's Learn Chinese' textbook series has been developing since 2008. Resources for teachers are continued to be improved and revised. The six books have been revised and published in Summer 2019. The rest of the textbooks will be revised in 2020. Some of the earlier textbooks are now with supplementary exercises booklets for pupils practising at home. The committee is now focusing on improving the E-learning, interactive learning using the computer.

Cultural and Recreation Committee; As the Covid-19 and locked down, we don't have any activity of Cultural performance in 2020.

Other activities hosted by the UKFCS included the Chinese New Year Card Design competition, Chinese Calligraphy Competition and Chinese Poems Recital competition. Most of our member schools participated in all the competitions.

Fundraising committee; Fundraising events are organised every year to generate funds for the running of the various activities for our member schools and to cover some general expenses in the running of the Federation. There was no fundraising event for the year.

Sales sub-committee; The committee has managed to upload all UKFCS publications in the Print-on-demand printer and can order books online. This reduced the amount of book stocks kept in our warehouse. Apart from the existing series of textbooks, UKFCS has written off a small number of old textbooks which became obsolete.

Public Examinations Research Group; This new group was to look at any Chinese Public Examinations which would be beneficial to pupils of our Member Schools. An agreement was made between Hanban and UKFCS to subsidise pupils for entering the YCT and HSK tests.

Membership fees continue to play a vital role in helping to subsidise general expenses in maintaining the communication with our members, and to promote the UKFCS and our member schools through our website.

Secretariat - Newsletters are produced 3 times a year to keep members informed with the latest news and regular activities.

Members and the public can keep in touch with UKFCS activities via the website. www.ukfcs.info.

Public benefit statement

The Executive Committee members confirm that they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers and duties. The public benefit of the Charity's activities is outlined under 'Main activities' above.

There are circa 70 member schools supported with the UKFCS in 2020. Throughout the year, UKFCS provides them with training, resources for teaching, workshops and annual conference for discussions and sharing of ideas and experiences. The Chinese Community are being supported in the teaching of the language and up keeping of tradition.

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Report of the trustees (incorporating the directors' report)
for the year ended 31 December 2020

Financial review

The Charity achieved net increase on unrestricted funds of £17,323 (2019 - £4,261), increasing unrestricted funds from £128,950 to £146,273. The Charity does not have any restricted funds.

Risk management

The Executive Committee actively reviews the major risks facing the Charity on a regular basis and believes that maintaining reserves at a level not less than the current level, combined with an annual review of the controls over the key financial systems will provide resources in the event of adverse conditions. The Executive Committee has also examined the other strategic and operational problems associated with the Charity and its users and confirm that systems have been established to enable regular reports to be made so that the necessary steps can be taken to mitigate the risks identified.

Reserve policy

It is the policy of the charity to maintain unrestricted funds, which are the free reserves of the charity, at a level which would provide sufficient funds to cover management, administration and support costs.

Statement of trustees' responsibilities

The trustees (who are also directors of U K Federation of Chinese Schools for the purpose of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and 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 period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and which 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.

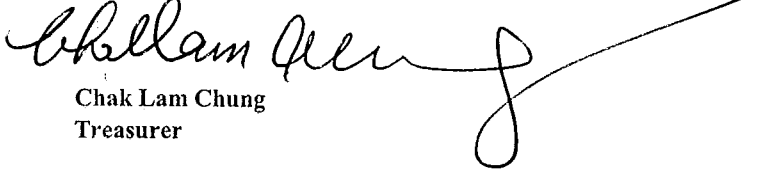
Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

This report was approved by the Board and signed on its behalf by

U K Federation of Chinese Schools
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Report of the trustees (incorporating the directors' report)
for the year ended 31 December 2020

A handwritten signature in black ink, appearing to read 'Chak Lam Chung', with a long horizontal flourish extending to the right.

Chak Lam Chung
Treasurer

Date: 83-9-2021

U K Federation of Chinese Schools
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Independent examiner's report to the trustees on the unaudited financial statements of U K Federation of Chinese Schools ('the Company').

I report to the charity trustees on my examination of accounts of U K Federation of Chinese Schools for the year ended 31 December 2020.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

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

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

.....
Alan Tsang Chartered Accountant

Independent examiner

8 Thamesdale
London Colney
Herts., AL2 1TB

U K Federation of Chinese Schools
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Statement of financial activities (incorporating the income and expenditure account)

For the year ended 31 December 2020

	Notes	Unrestricted funds £	2020 Total £	2019 Total £
Income and endowments from:				
Charitable activities	2	32,582	32,582	48,338
Total income and endowments		<u>32,582</u>	<u>32,582</u>	<u>48,338</u>
Expenditure on:				
<i>Charitable activities:</i>				
Opening stock		17,121	17,121	25,936
Purchases		16,977	16,977	13,424
Closing stock		(22,707)	(22,707)	(17,121)
Accountancy fees		500	500	500
Sundry and promotional		45	45	684
Other office expenses		609	609	573
Interest payable and similar charges		-	-	13
Cultural & Recreational expenses		1,511	1,511	4,775
Fundraising expenses		-	-	425
Training and conference expenses		56	56	11,333
Executive committee expenses		1,147	1,147	1,646
Education expenses		-	-	1,889
Total expenditure		<u>15,259</u>	<u>15,259</u>	<u>44,077</u>
Net income/(expenditure) for the year		17,323	17,323	4,261
Reconciliation of funds:				
Total funds brought forward		128,950	128,950	124,689
Total funds carried forward		<u>146,273</u>	<u>146,273</u>	<u>128,950</u>

The statement of financial activities includes all gains and losses in the year and therefore a separate statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The notes on pages 10 to 13 form an integral part of these financial statements.

U K Federation of Chinese Schools
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Balance sheet
as at 31 December 2020

	Notes	£	2020 £	£	2019 £
Current assets					
Stocks		22,707		17,121	
Cash at bank and in hand		144,574		132,837	
		<u>167,281</u>		<u>149,958</u>	
Creditors: amounts falling due within one year	5	(500)		(500)	
Net current assets			<u>166,781</u>		<u>149,458</u>
Total assets less current liabilities			166,781		149,458
Creditors: amounts falling due after more than one year	6		(20,508)		(20,508)
Net assets			<u>146,273</u>		<u>128,950</u>
Charity Funds	7				
Unrestricted income funds			146,273		128,950
Total charity funds			<u>146,273</u>		<u>128,950</u>

The Balance Sheet continues on the following page.

The notes on pages 10 to 13 form an integral part of these financial statements.

U K Federation of Chinese Schools
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Balance sheet (continued)

Trustees statements required by the Companies Act 2006
for the year ended 31 December 2020

In approving these financial statements as trustees of the charity and directors of the company we hereby confirm:

(a) that for the year stated above the company was entitled to the exemption conferred by section 477 of the Companies Act 2006 ;

(b) that no notice has been deposited at the registered office of the company pursuant to section 476 of the Companies Act 2006 requesting that an audit be conducted for the year ended 31 December 2020.

(c) that we acknowledge our responsibilities for:

(1) ensuring that the company keeps proper accounting records which comply with section 386 of the Companies Act 2006, and

(2) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the year then ended in accordance with the requirements of sections 394 and 395, and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company.

These financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies .

The financial statements were approved by the board and signed on its behalf by



Ms. Wai Yin Chung Chan
President

Date : 23-9-2021

The notes on pages 10 to 13 form an integral part of these financial statements.

U K Federation of Chinese Schools
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Notes to financial statements
for the year ended 31 December 2020

1. Accounting policies

UK Federation of Chinese Schools is a registered charity and company limited by guarantee with no share capital. The liability of members in the event of insolvent liquidation is limited to £1 each. The Charity's governing document is its Memorandum and Articles of Association incorporated 23 January 1996, as amended by special resolution on 13 February 1997. The address of the registered office is 8 Thamesdale, London Colney, St Albans, Hertfordshire AL2 1TB.

1.1. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

The financial statements are prepared in sterling, which is the functional currency of the entity.

1.2. Basic of accounting

Basis of preparation

The financial statements are prepared in accordance with 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 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Companies Act 2006 and UK Generally Accepted Accounting Practice.

U K Federation of Chinese Schools meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

1.3. Cashflow

The charity has applied Update Bulletin 1 as published on 2 February 2016 and does not include a cash flow statement on the grounds that it is applying FRS 102 Section 1A.

1.4. Fund accounting

General income funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objects of the Charity and which have not been designated for other purposes. The cost of raising and administering such funds are charged against the specific fund.

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Notes to financial statements
for the year ended 31 December 2020

1.5. Incoming resources

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received. The following specific policies are applied to particular categories of income:

Donations are recognised in the period in which they are received.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' Annual Report.

Income from charitable activities is included in the year in which it is receivable.

Income from investments is included in the year in which it is receivable.

1.6. Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Expenditure on raising funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes including the charity's shop.

Expenditure on charitable activities comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Other expenditures are those costs incurred directly in support of expenditure on the objects of the charity and include Executive Committee costs.

1.7. Stock

Stock is valued at the lower of cost and net realisable value.

1.8. Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due

1.9. Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.10. Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

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Notes to financial statements
for the year ended 31 December 2020

1.11. Financial instruments

The trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2. Expenditure on charitable activities

	Unrestricted funds £	2020 Total £	2019 Total £
Sale of books	30,722	30,722	40,184
Fundraising and donations	870	870	2,639
Membership fees	990	990	1,270
Teacher training conference	-	-	4,245
	<u>32,582</u>	<u>32,582</u>	<u>48,338</u>

3. Employees

Employment costs

No salaries or wages have been paid to employees, including the trustees, during the year.

Number of employees

The average monthly numbers of employees (including the trustees) during the year, calculated on the basis of full time equivalents, was as follows:

2020 Number	2019 Number
<u>8</u>	<u>8</u>

4. Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

**5. Creditors: amounts falling due
within one year**

	2020 £	2019 £
Accruals and deferred income	<u>500</u>	<u>500</u>

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Notes to financial statements
for the year ended 31 December 2020

6. Creditors: amounts falling due after more than one year

	2020	2019
	£	£
Other loans	<u>20,508</u>	<u>20,508</u>

There is no interest payable and no fixed repayment date for the other loans.

7. Analysis of net assets between funds

	Unrestricted funds	Total funds
	£	£
Fund balances at 31 December 2020 as represented by:		
Current assets	167,280	167,280
Current liabilities	(500)	(500)
Long-term liabilities	(20,508)	(20,508)
	<u>146,272</u>	<u>146,272</u>

8. Unrestricted funds

	At 1 January 2020 £	Incoming resources £	Outgoing resources £	At 31 December 2020 £
General fund	<u>128,950</u>	<u>32,582</u>	<u>(15,259)</u>	<u>146,273</u>

9. Company limited by guarantee

U K Federation of Chinese Schools is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

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The following pages do not form part of the statutory accounts.

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Detailed statement of financial activities
For the year ended 31 December 2020

	2020	2019
	£	£
Incoming resources		
Incoming resources from generating funds:		
<i>Charitable activities</i>		
Sale of books	30,722	40,184
Fundraising and donations	870	2,639
Membership fees	990	1,270
Teacher training conference	-	4,245
	<u>32,582</u>	<u>48,338</u>
Total incoming resources from generating funds	<u>32,582</u>	<u>48,338</u>
Total incoming resources	<u><u>32,582</u></u>	<u><u>48,338</u></u>
Resources expended		
Costs of generating funds:		
<i>Sale of text books</i>		
Opening stock	17,121	25,936
Book printing, delivery & storage	16,977	13,424
Closing stock	(22,707)	(17,121)
Website and computer costs	-	500
Sundry and promotional	46	684
	<u>11,437</u>	<u>23,423</u>
<i>Other activities</i>		
Cultural & Recreational expenses	1,511	4,775
Fundraising expenses	-	425
	<u>1,511</u>	<u>5,200</u>
Total cost of generating voluntary income	<u>12,948</u>	<u>28,623</u>
Other voluntary activities		
Cost of voluntary activities and other costs		
<i>Fundraising events</i>		
Training and conference expenses	56	11,333
Executive committee expenses	1,147	1,646
Education expenses	-	1,889
	<u>1,203</u>	<u>14,868</u>
Total fundraising, voluntary and other costs	<u>1,203</u>	<u>14,868</u>
Total costs of generating funds	<u><u>14,151</u></u>	<u><u>43,491</u></u>

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Detailed statement of financial activities
For the year ended 31 December 2020

	2020 £	2019 £
Charitable activities		
Governance costs		
<i>Activities undertaken directly</i>		
Professional - Accountancy fees	500	500
Office expenses - Stationery	349	41
Secretarial expenses	260	32
Bank charges	-	13
	<hr/> 1,109	<hr/> 586
Total governance costs	<hr/> 1,109 <hr/>	<hr/> 586 <hr/>
Net incoming/(outgoing) resources for the year	<hr/> 17,322 <hr/>	<hr/> 4,261 <hr/>