

Charity registration number 1160354

Company registration number 09167049 (England and Wales)

CHINA EXCHANGE (UK) (A COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

CHINA EXCHANGE (UK) (A COMPANY LIMITED BY GUARANTEE)

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	EH Y Yu	(Appointed 10 March 2022)
	G Huang	(Appointed 10 March 2022)
	Sir T Shebbeare	
	J Furse	
	M Shui	
	Dr C Wang	(Appointed 9 June 2023)
Charity number	1160354	
Company number	09167049	
Principal address	32A Gerrard Street London W1D 6JA	
Registered office	32A Gerrard Street London W1D 6JA	

CHINA EXCHANGE (UK) (A COMPANY LIMITED BY GUARANTEE)

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CHINA EXCHANGE (UK) (A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees present their report and accounts for the year ended 31 December 2022 which is also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's Articles of Association, the Companies Act 2006 and The Charities Act 2011, the Statement of Recommended Practice, "Accounting and Reporting by Charities" in accordance with FRS 102.

Objectives and activities

The Charity's objects are to promote for the public benefit Chinese art, culture and heritage.

Our aim is to offer an insight into a wide range of issues spanning from culture, business, the environment, heritage, education, enterprise, medicine, religion, economy, anthropology to architecture and philosophy. It will promote the most civilised and responsible interests of all these important issues in the modern day, through the prisms of Britain and China.

The strategies employed are:

- A programme of activities that create opportunities for people to learn more about China, Chinese culture and London's Chinatown.
- Creating projects that appeal to a wide range of people who, perhaps, have not considered the influence that China, Chinese culture or London's Chinatown have on their lives and through cultivating a relationship with them to stimulate their curiosity and understanding about these areas; and
- Holding activities that relate directly to China, Chinese culture and London's Chinatown but that are different to those currently available in London and the rest of the UK.

In shaping our activities, careful consideration has been given to the Charity Commission's guidance on both public benefit and fee charging. China Exchange remained committed to making activities accessible. All our 2022 projects were delivered without admission fees and only our walking tours and some festival events were fee paying.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Charity should undertake.

CHINA EXCHANGE (UK) (A COMPANY LIMITED BY GUARANTEE)

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

FOR THE YEAR ENDED 31 DECEMBER 2022

This has been a year of consolidation and recovery for China Exchange. Visitor numbers to Central London are still to reach pre-Pandemic levels, and inflationary pressures have had to be absorbed within normal trading activities. Programming and Venue Hire, which are the prime generators of income, have both been managed with care to ensure that the reputation of China Exchange continues to grow, and that the Charity is financially secure as it plans for its future development.

China Exchange continued to welcome guests to the Chinatown Stories community-led walking tours throughout the year. The programme welcomed 1600 people in 2022. To meet continued demand, the Charity invested in training four new volunteers as History Champions who can continue to lead tours.

The charity held the *Chinese Write Now* festival in Manchester, Nottingham and London. This involved events and activities with a range of writers and 'Writer in residence', Will Harris led poetry workshops online and in-person in all three festival cities allowing 41 people to take part. The participants were invited to submit final work for an anthology, which was printed and distributed at the end of the year.

The Charity's work to support Chinatown in response to covid-19 related racism continued with a dedicated project through the year that engaged 8 volunteers, and involved 45 people in workshops. The project resulted in the creation of a portable art exhibition entitled *Yours, Mine, Ours* that encourages people to have conversations about social justice. The exhibition was displayed in Soho for 7 days in December 2022.

The Made in Chinatown programme, which brings together artists, volunteers and community members to create unique products that explore Chinatown's heritage, which are sold to support future community projects, continued this year. In 2022, illustrator Cherie Kwok undertook a residency, themed "Layers of Chinatown". Following workshops where she taught people to complete urban sketches of their most meaningful places in Chinatown, Cherie produced a final design that was added to the Made in Chinatown product range. Sales continued throughout the year in the online shop and in December, China Exchange ran a pop-up shop for two weeks from a premises in Soho, involving 36 volunteers who designed and built the shop interior, who also ran it.

The Trustees have given regard to the public benefit requirements and consider that the limited activities delivered by China Exchange in 2022 continue to meet the obligations of the organisation.

Achievements and performance

In addition to the achievements outlined above, the CEO and one volunteer were invited to meet with His Majesty The King, as part of a Royal visit to Chinatown to discuss the role of heritage activities in combatting hate and racism. The work of the Charity in supporting Chinatown in response to covid-19 related racism was presented in person to His Majesty and the Charity continues to contribute to addressing the issues raised as a thought leader.

Financial review

It is the policy of the Charity that unrestricted funds which have not been designated for a specific use at the end of 2022 should be maintained at a level equivalent to 5-10% of the organisation's expenditure. 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 Charity's current activities while consideration is given to ways in which additional funds may be raised.

The Trustees has assessed the major risks to which the Charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

The Charity's governing document is the Articles of Association.

The Charity is constituted as a company limited by guarantee and not having share capital.

CHINA EXCHANGE (UK) (A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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:

EH Y Yu	(Appointed 10 March 2022)
G Huang	(Appointed 10 March 2022)
Sir T Shebbeare	
J Furse	
M Shui	
Dr C Wang	(Appointed 9 June 2023)

The Trustees are appointed by the Board of Trustees.

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.

An Indemnity Policy was in force at the year end date. The Indemnity Policy is for the benefit of the Directors and Officers.

The Board of Trustees administers the Charity. The Board normally meets quarterly. The Chief Executive Officer (approved by the Trustees) manages the day-to-day operations with close links to the Chair, Mei Shui. The Chief Executive Officer has delegated authority for operational matters including finance and employment.

Disabled persons

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the Charity continues and that the appropriate training is arranged. It is the policy of the Charity that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Employee involvement

The Charity's policy is to consult and discuss with employees, at meetings, matters likely to affect employees' interests.

Information of matters of concern to employees is given through information provided by the Chief Executive Officer to achieve a common awareness on the part of all employees of the financial and economic factors affecting the Charity's performance.

Reference and administrative details

Charity number: 1160354
Company Number: 09167049
Registered Office: 32A Gerrard Street, London, W1D 6JA

Independent Examiner: T Bansal, Jamen Jones Chartered Accountants, 77 Manor Way, North Harrow, Middlesex HA2 6BZ

Bankers: HSBC Plc, 69 Pall Mall, London, SW1Y 5EY

Key management personnel:

Chief Executive Officer F Aitken-Turff
Finance & HR Manager D Gerrard

CHINA EXCHANGE (UK) (A COMPANY LIMITED BY GUARANTEE)

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

FOR THE YEAR ENDED 31 DECEMBER 2022

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

J Furse

Director

Dated: 14 September 2023

CHINA EXCHANGE (UK) (A COMPANY LIMITED BY GUARANTEE)

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF CHINA EXCHANGE (UK) (A COMPANY LIMITED BY GUARANTEE)

I report to the Trustees on my examination of the financial statements of China Exchange (UK) (A company limited by guarantee) (the Charity) for the year ended 31 December 2022.

Responsibilities and basis of report

As the Trustees of the Charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the Charity 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 the Charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable 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 that in any material respect:

- 1 accounting records were not kept in respect of the Charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements 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 financial statements to be reached.

Ted Bansal FCA
Jamen Jones
Chartered Accountants
77 Manor Way
North Harrow
Middlesex
HA2 6BZ

Dated: 14 September 2023

CHINA EXCHANGE (UK) (A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

		Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Notes							
<u>Income and endowments from:</u>							
Donations and legacies	3	4,826	22,161	26,987	32,688	147,234	179,922
Charitable activities	4	202,399	-	202,399	126,517	-	126,517
Other income	5	4,924	-	4,924	738	-	738
Total income		212,149	22,161	234,310	159,943	147,234	307,177
<u>Expenditure on:</u>							
Raising funds	6	190,174	-	190,174	48,856	-	48,856
Charitable activities	7	125,904	30,027	155,931	63,072	217,059	280,131
Total expenditure		316,078	30,027	346,105	111,928	217,059	328,987
Gross transfers between funds		-	-	-	6,986	(6,986)	-
Net expenditure for the year/							
Net movement in funds		(103,929)	(7,866)	(111,795)	55,001	(76,811)	(21,810)
Fund balances at 1 January 2022		155,364	15,300	170,664	100,363	92,111	192,474
Fund balances at 31 December 2022		51,435	7,434	58,869	155,364	15,300	170,664

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.

CHINA EXCHANGE (UK) (A COMPANY LIMITED BY GUARANTEE)

BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	12		18,435		24,707
Current assets					
Debtors	13	52,832		38,777	
Cash at bank and in hand		65,866		144,907	
		<u>118,698</u>		<u>183,684</u>	
Creditors: amounts falling due within one year	14	<u>(78,264)</u>		<u>(37,727)</u>	
Net current assets			40,434		145,957
Total assets less current liabilities			<u>58,869</u>		<u>170,664</u>
Income funds					
Restricted funds	16		7,434		15,300
Unrestricted funds			51,435		155,364
			<u>58,869</u>		<u>170,664</u>

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 December 2022.

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 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 14 September 2023

J Furse
Trustee

Company registration number 09167049

CHINA EXCHANGE (UK) (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Charity information

China Exchange (UK) (A company limited by guarantee) is a private company limited by guarantee incorporated in England and Wales. The registered office is 32A Gerrard Street, London, W1D 6JA.

1.1 Accounting convention

The accounts have been prepared in accordance with the Charity's Articles 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)" (as amended for accounting periods commencing from 1 January 2016). The Charity is a Public Benefit Entity as defined by FRS 102.

The Charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

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.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Charity.

1.4 Income

Income is recognised when the Charity 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.

Income from charitable activities is recognised on an accruals basis, and net of VAT.

Cash donations are recognised on receipt. Other donations are recognised once the Charity 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.

Legacies are recognised on receipt or otherwise if the Charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Assets donated for resale are included as incoming resources within activities for generating funds and capitalised as fixed assets.

CHINA EXCHANGE (UK) (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

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 is classified under the following activity headings:

- Costs of raising funds comprise the costs of commercial trading and their associated support costs.
- Expenditure on charitable activities includes the costs event advertising and event hosting costs, undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

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

Support costs attributable to charitable events have been allocated on a pro-rata basis of the charitable income and non charitable income.

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	Over the term of the lease
Plant and machinery	33% straight line
Fixtures, fittings & equipment	2% and 25% straight line
Computer Equipment	33% straight line

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 Impairment of fixed assets

At each reporting end date, the Charity 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).

1.8 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.

1.9 Financial instruments

The Charity 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 Charity's balance sheet when the Charity 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.

CHINA EXCHANGE (UK) (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

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.

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 Charity's contractual obligations expire or are discharged or cancelled.

1.10 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 Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Foreign exchange

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are treated as other support costs within the statement of financial activities.

1.12 Donated Services

Donated services are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably.

In accordance with the Charities SORP (FRS 102), the general volunteer time is not recognised and refer to the trustees' annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

CHINA EXCHANGE (UK) (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies (Continued)

1.13 Deferred Income

Creditors include deferred income which has been generated from activities in line with the period in which the use of charities venue will generate an economic benefit.

2 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022 £	2022 £	2022 £	2021 £	2021 £	2021 £
Donations and gifts	4,826	-	4,826	3,760	-	3,760
Grants	-	22,161	22,161	28,928	147,234	176,162
	<u>4,826</u>	<u>22,161</u>	<u>26,987</u>	<u>32,688</u>	<u>147,234</u>	<u>179,922</u>

4 Charitable activities

	Venue Hire 2022 £	Event Income 2022 £	Total 2022 £	Total 2021 £
Sales within charitable activities	<u>181,951</u>	<u>20,448</u>	<u>202,399</u>	<u>126,517</u>

5 Other income

	2022 £	2021 £
Other income	<u>4,924</u>	<u>738</u>

CHINA EXCHANGE (UK) (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

6 Raising funds

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
<u>Fundraising and publicity</u>		
Staging fundraising events	26,476	5,585
Advertising	2,187	-
	<u>28,663</u>	<u>5,585</u>
Fundraising and publicity		
<u>Trading costs</u>		
Other trading activities	11,867	2,168
Support costs	149,644	41,103
	<u>161,511</u>	<u>43,271</u>
Trading costs		
	<u>190,174</u>	<u>48,856</u>

7

Charitable activities

	Venue Hire	Venue Hire
	2022	2021
	£	£
Staff costs	28,171	48,919
Other direct costs	23,762	198,939
	<u>51,933</u>	<u>247,858</u>
Share of support costs (see note 8)	101,953	31,673
Share of governance costs (see note 8)	2,045	600
	<u>155,931</u>	<u>280,131</u>
Analysis by fund		
Unrestricted funds	125,904	63,072
Restricted funds	30,027	217,059
	<u>155,931</u>	<u>280,131</u>
For the year ended 31 December 2021		
Unrestricted funds	63,072	
Restricted funds	217,059	
	<u>280,131</u>	

CHINA EXCHANGE (UK) (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

8 Support costs

	Support costs £	Governance costs £	2022 £	2021 £	Basis of allocation
Staff costs	150,822	-	150,822	39,223	Income analysis
Depreciation	5,552	-	5,552	5,632	Income analysis
Establishment costs	73,782	-	73,782	19,605	Income analysis
Computers & Equipment	6,410	-	6,410	786	Income analysis
General overheads	12,088	-	12,088	6,763	Income analysis
Accountancy	-	4,975	4,975	1,204	Governance
Legal and professional	-	13	13	163	Governance
	<u>248,654</u>	<u>4,988</u>	<u>253,642</u>	<u>73,376</u>	
Analysed between					
Trading	146,701	2,943	149,644	41,103	
Charitable activities	101,953	2,045	103,998	32,273	
	<u>248,654</u>	<u>4,988</u>	<u>253,642</u>	<u>73,376</u>	

9 Trustees

The charity trustees (or any persons connected with them) were not paid or received any other benefits from charity. The Trustees were not reimbursed expenses during the year and no trustee received payment for professional or other services supplied to the charity.

10 Employees

The average monthly number employees (excluding trustees) during the year was:18

	2022 Number	2021 Number
Employees	<u>10</u>	<u>16</u>
Employment costs	2022 £	2021 £
Wages and salaries	<u>178,993</u>	<u>88,142</u>

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

CHINA EXCHANGE (UK) (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

10 Employees

(Continued)

2022

2021

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.

12 Tangible fixed assets

	Land and buildings	Fixtures, fittings & equipment	Computer Equipment	Total
	£	£	£	£
Cost				
At 1 January 2022	22,280	38,561	23,129	83,970
Disposals	-	-	(1,070)	(1,070)
At 31 December 2022	22,280	38,561	22,059	82,900
Depreciation and impairment				
At 1 January 2022	10,606	29,812	18,845	59,263
Depreciation charged in the year	3,681	287	1,584	5,552
Eliminated in respect of disposals	-	-	(350)	(350)
At 31 December 2022	14,287	30,099	20,079	64,465
Carrying amount				
At 31 December 2022	7,993	8,462	1,980	18,435
At 31 December 2021	11,674	8,749	4,284	24,707

13 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Trade debtors	39,202	702
Other debtors	5	24,381
Prepayments and accrued income	13,625	13,694
	52,832	38,777

CHINA EXCHANGE (UK) (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

14 Creditors: amounts falling due within one year

	Notes	2022 £	2021 £
Other taxation and social security		8,148	2,347
Deferred income	15	41,168	5,798
Trade creditors		9,563	3,729
Other creditors		560	1,549
Accruals and deferred income		18,825	24,304
		<u>78,264</u>	<u>37,727</u>

15 Deferred income

	2022 £	2021 £
Other deferred income	41,168	5,798
	<u>41,168</u>	<u>5,798</u>

Deferred income is included in the financial statements as follows:

	2022 £	2021 £
Deferred income is included within:		
Current liabilities	41,168	5,798
	<u>41,168</u>	<u>5,798</u>
Movements in the year:		
Deferred income at 1 January 2022	5,798	18,554
Released from previous periods	(4,821)	(17,616)
Resources deferred in the year	40,191	4,860
	<u>41,168</u>	<u>5,798</u>
Deferred income at 31 December 2022	41,168	5,798

CHINA EXCHANGE (UK) (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

16 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				Movement in funds			
	Balance at 1 January 2021	Incoming resources	Resources expended	Transfers	Balance at 1 January 2022	Incoming resources	Resources expended	Balance at 31 December 2022
	£	£	£	£	£	£	£	£
Heritage Lottery Fund	535	-	(535)	-	-	-	-	-
Rothschild Foundation	1,230	-	31	-	1,261	-	-	1,261
Job Retention Scheme Grant	-	11,449	(11,449)	-	-	-	-	-
Arts Council Culture Recovery Fund	81,731	95,828	(169,171)	(6,986)	1,402	-	(1,402)	-
Winston Churchill Memorial Trust	8,615	-	(6,597)	-	2,018	-	(1,889)	129
Champion Chinatown (Crowdfunded)	-	22,660	(19,613)	-	3,047	-	(3,047)	-
The National Lottery Community Fund	-	10,000	(3,054)	-	6,946	-	(6,924)	22
Government Kickstarter	-	7,297	(6,671)	-	626	5,641	(6,267)	-
Winston Churchill Memorial Trust II	-	-	-	-	-	8,360	(5,557)	2,803
The Greater London Authority	-	-	-	-	-	8,160	(4,941)	3,219
	<u>92,111</u>	<u>147,234</u>	<u>(217,059)</u>	<u>(6,986)</u>	<u>15,300</u>	<u>22,161</u>	<u>(30,027)</u>	<u>7,434</u>

CHINA EXCHANGE (UK) (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

16 Restricted funds

(Continued)

The Grant from the Heritage Lottery funding was for an Exhibition presenting the history of the Chinese community in Chinatown 1960.

The Grant from the Rothschild foundation was for the Made in Chinatown Project.

The Grant from the Coronavirus Job Retention scheme was claimed while employees were furlough during the Covid-19 pandemic.

The Grant from the Arts Council Culture recovery fund was provided to help the charity through the Covid-19 pandemic.

The Grant from the Winston Churchill Memorial Trust was made for the Chinatown Recovery Project.

The Champion Chinatown (crowd funded) was made to fund the Champion Chinatown project.

The National Lottery for all fund was made to support the Made in Chinatown 2021 project

The Government Kickstarter fund was provided to support the recruitment of new staff.

The second Grant from the Winston Churchill Memorial Trust was to help the charity as a result of the Covid-19 pandemic.

The Grant from the Greater London Authority was made for The Digital Chinatown Heritage Summary for Enjoying on the Move.

The Transfer from the Arts Council Culture Recovery fund represents the use of funds for fixed asset purchases recorded in the balance sheet.

CHINA EXCHANGE (UK) (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

17 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total Unrestricted funds 2022 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 December 2022 are represented by:					
Tangible assets	18,435	-	18,435	24,707	24,707
Current assets/(liabilities)	33,000	7,434	40,434	130,657	145,957
	<u>51,435</u>	<u>7,434</u>	<u>58,869</u>	<u>15,300</u>	<u>170,664</u>

18 Operating lease commitments

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

	2022 £	2021 £
Within one year	23,346	23,561
Between two and five years	89,384	89,384
In over five years	47,892	70,038
	<u>160,622</u>	<u>182,983</u>

19 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2022 £	2021 £
Aggregate compensation	<u>79,507</u>	<u>79,507</u>

20 Limited by Guarantee

The company is limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity, while they are a member and for one year after they cease to be a member.