

Registered number  
3150505

Registered charity number 1058934

Chinese Mental Health Association

Accounts

31 March 2005



**Chinese Mental Health Association**  
**Report and accounts**  
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## **Chinese Mental Health Association Directors' Report**

The management committee presents its report and accounts for the year ended 31 March 2005.

### **Activities and Objects**

The company is a charity and exists to promote the preservation and the safeguarding of mental health and the relief of persons who are of Chinese origin suffering from mental illness or distress.

### **Results**

The net outgoing resources for the year amounted to £2,192 of this £2,024 is attributable to the restricted funds which now stood at £12,499 and £168 is attributable to general reserves and is set against the opening surplus and as a result the balance on unrestricted fund as at 31 March 2005 stood at £7,236.

### **Future strategy**

The charity plans continuing the activities as outlined above in the forthcoming years subject to satisfactory funding arrangement. Plans are also being developed to strengthen the working of the existing projects and based on the availability of resources (financial and operational) to undertake a number of additional projects within its main object.

### **Reserve Policy**

The management committee has established a policy to maintain unrestricted funds, which are free reserves of the charity, at a level which should equate to approximately between 3 and 6 months of unrestricted expenditure. This should provide sufficient funds to cover management and administration and support costs and to respond to emergency applications for grants in the event of the need arising.

### **Investment policy**

The management committee has considered the most appropriate policy for investing funds and since it seems highly unlikely that it would have any unexpended funds for longer than between 4 and 6 months it has considered appropriate to invest the unused funds with its bankers on the account paying the highest interest rate. In circumstances where the funds would be available for a longer period it has found specialised unit trusts, designed for the charity sector which should meet their requirements to generate both income and capital growth. The management committee has concluded that in circumstances like this professional advice will be sought before committing the charity's fund.

### **Risk review**

The management committee has assessed the major risks to which the charity is exposed, in particular those related to the operations and finance of the charity and is satisfied that systems are in place to mitigate the charity's exposure to major risks.

### **Directors and Members of the management committee**

The directors who served during the year and their interests in the share capital of the company were as follows:

Shun Au  
Siew Tin P'ng  
Bruce Wang  
Lulu Langtree

**Chinese Mental Health Association**  
**Directors' Report**  
**Responsibilities of the management committee**

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss for that period. In preparing those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.


**Auditors**

A resolution will be proposed at the forthcoming Annual General Meeting to re-appoint Such & Co Associates Limited as Auditors.

**Small company special provisions**

The report of the directors has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the board and signed on their behalf by.

  
Shun Au  
Director

Dated:

2/11/05

## **Independent Auditors' Report to the Member of Chinese Mental Health Association**

We have audited the financial statements of Chinese Mental Health Association for the year ended 31 March 2005 set out on pages 4 to 12. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

### **Responsibilities of directors**

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

### **Responsibilities of auditors**

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

Under section 235(1) of the Companies Act 1985 we have a duty as auditors to report on the annual accounts of the company. This duty only extends to a report to the members of the company as a whole and not to an individual shareholder or group of shareholders or to a third party. We are therefore responsible only to the shareholders as a whole for our audit opinion.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatement within it.

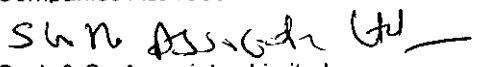
### **Basis of audit opinion**

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

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

### **Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 2005 and of its results for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

  
Such & Co Associates Limited  
Chartered Certified Accountants and Registered Auditors

61 Link House  
New Covent Garden Market  
Nine Elms Lane  
London  
SW8 5PA

Dated: 8 Nov 2005

**Chinese Mental Health Association**

**Statement of Financial Activities**

**For the year ended 31 March 2005**

	Notes	Restricted £	Unrestricted £	2005 Total £	2004 Total £
<b>INCOMING RESOURCES</b>					
Grant		398,916	-	398,916	370,571
Other Income		-	7,307	7,307	2,842
Income from operations	2	398,916	7,307	406,223	373,413
Bank deposit interest		-	1,300	1,300	1,170
<b>TOTAL INCOMING RESOURCES</b>		<b>398,916</b>	<b>8,607</b>	<b>407,523</b>	<b>374,583</b>
<b>RESOURCES EXPENDED</b>					
<b>Cost of generating funds</b>					
Fund Raising		-	8,775	8,775	-
<b>Charitable expenditure</b>					
Direct Charitable Expenditure - Restricted		352,621	-	352,621	303,146
Direct Charitable Expenditure - Unrestricted		-	-	-	676
Management and Administration of Charity		48,319	-	48,319	58,587
<b>TOTAL RESOURCES EXPENDED</b>	3	<b>400,940</b>	<b>8,775</b>	<b>409,715</b>	<b>362,409</b>
<b>NET (OUTGOING)/INCOMING OF RESOURCES</b>		<b>(2,024)</b>	<b>(168)</b>	<b>(2,192)</b>	<b>12,174</b>
<b>FUNDS BROUGHT FORWARD</b>		<b>14,523</b>	<b>7,404</b>	<b>21,927</b>	<b>9,753</b>
<b>FUNDS CARRIED FORWARD</b>		<b>£12,499</b>	<b>£7,236</b>	<b>£19,735</b>	<b>£21,927</b>
<b>ANALYSIS OF FUNDS CARRIED FORWARD:</b>					
- Restricted				12,499	14,523
- Unrestricted				7,236	7,404
				<u>£19,735</u>	<u>£21,927</u>

**All the activities of the company are continuing.**

**There are no other recognised gains or losses.**

**Chinese Mental Health Association  
Income and Expenditure Account  
for the year ended 31 March 2005**

	<b>Notes</b>	<b>2005 £</b>	<b>2004 £</b>
<b>INCOMING RESOURCES</b>	<b>2</b>	406,223	373,413
<b>CHARITABLE AND ADMINISTRATIVE EXPENSES</b>	<b>3</b>	<u>(409,715)</u>	<u>(362,409)</u>
<b>Operating (deficit)/surplus</b>	<b>4</b>	(3,492)	11,004
Interest receivable		<u>1,300</u>	<u>1,170</u>
<b>(Deficit)/surplus on ordinary activities before taxation</b>		(2,192)	12,174
<b>Tax on ordinary activities</b>	<b>5</b>	<u>-</u>	<u>-</u>
<b>(Deficit)/surplus for the financial year</b>		(2,192)	12,174
<b>OPENING SURPLUS OF FUNDS</b>		<u>21,927</u>	<u>9,753</u>
<b>Surplus for the financial year</b>	<b>10&amp;11</b>	<u><u>£19,735</u></u>	<u><u>£21,927</u></u>

**All the activities of the company are continuing**

**There are no other recognised gains or losses.**

**Chinese Mental Health Association**  
**Balance Sheet**  
**as at 31 March 2005**

	Notes	2005 £	2004 £
<b>Fixed assets</b>			
Tangible assets	6	26,703	10,164
<b>Current assets</b>			
Debtors	7	14,022	11,267
Cash at bank and in hand		<u>27,127</u>	<u>51,223</u>
		<u>41,149</u>	<u>62,490</u>
<b>Creditors: amounts falling due within one year</b>	8	<u>(48,117)</u>	<u>(50,727)</u>
<b>Net current (liabilities)/assets</b>		<u>(6,968)</u>	<u>11,763</u>
<b>Net assets</b>		<u><u>£19,735</u></u>	<u><u>£21,927</u></u>
<b>Capital and reserves</b>			
<b>Share Capital</b>	9	-	-
<b>Funds: Restricted</b>	10	12,499	14,523
Unrestricted	11	<u>7,236</u>	<u>7,404</u>
		<u>19,735</u>	<u>21,927</u>
		<u><u>£19,735</u></u>	<u><u>£21,927</u></u>

The accounts have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985, and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Approved on behalf of the board of directors/trustees.

h  
Chairperson

S. T. Png  
Treasurer

Dated: 2/11/05



**Chinese Mental Health Association**  
**Notes to the Accounts**  
**for the year ended 31 March 2005**

**1 Accounting policies**

The accounts have been prepared under the historical cost convention and in accordance with the SORP and Financial Reporting Standard for Smaller Entities (effective June 2002).

**Depreciation**

Depreciation has been provided at the following rates in order to write off the assets over their estimated useful lives.

Office furniture, equipment and computers -25% reducing balance

**Cash flow**

The directors are taking advantage of the exemptions offered to small companies by FRS1, hence no cash flow statement is presented.

**Income**

Donations, grants and other income are accounted on a receivable basis.

**Management costs shared**

Management cost include cost of overall direction and administration, comprising the estimated apportioned salary and overhead costs of central function not attributable to any project directly. Each project is then charged with the management and administration costs reflecting the size of the project and specifically bearing in mind the staff time.

**Fund-raising cost**

This cost represents expenses including an apportionment of directly attributable expenditure, incurred to raise funds in the furtherance of the charitable activities.

**2 INCOMING RESOURCES**

	2005		2004	
	£	£	£	£
<b>Grants, donations and other income: Restricted</b>				
King's Fund - Advocacy project	34,201		35,985	
Department of Health - Core funding	30,000		45,000	
City Parochial Foundation - Befriending project	-		2,024	
City Parochial Foundation - Information and advice	17,500		8,750	
Lloyds TSB foundation - Health promotion project	-		33,750	
London Development Agency				
- Housing report launch	6,590		-	
Department of Health - Supported housing project	40,000		43,334	
Nationwide Foundation - User empowerment	-		2,000	
Big Lottery Fund - Helpline project	120,140		-	
Tudor Trust - Befriending project	-		4,583	
Bridgehouse Estate Trust - Carers support	18,986		18,577	
Big Lottery Fund - Main grant	47,719		31,699	
Big Lottery Fund - Medium grant	-		60,000	
The Diana, Princess of Wales Memorial Fund				
- Youth Counselling and Family therapy	83,780		83,456	
Connecting Communities - Holistic therapy	-	398,916	1,413	370,571
<b>Grants, donations and other income: Unrestricted</b>				
Miscellaneous Income		7,307		2,842
		<u>406,223</u>		<u>373,413</u>

**Chinese Mental Health Association**  
**Notes to the Accounts**  
**for the year ended 31 March 2005**

<b>3 RESOURCES EXPENDED</b>	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
<b>A) DIRECT CHARITABLE - RESTRICTED</b>		
Staff Cost	216,189	181,067
Other direct costs	48,823	97,971
Other directly allocated costs	87,609	24,108
	<u>352,621</u>	<u>303,146</u>
Management cost shared	48,319	56,713
	<u>400,940</u>	<u>359,859</u>
<b>B) RESOURCES EXPENDED - Cont'd</b>		
<b>DIRECT CHARITABLE -UNRESTRICTED</b>		
	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
Staff Cost	-	555
Other direct costs	-	-
Other allocated costs	-	121
	<u>-</u>	<u>676</u>
Management cost shared	-	1,874
Staff Cost - Fund raising cost	8,775	-
	<u>8,775</u>	<u>2,550</u>
<b>TOTAL RESOURCES EXPENDED</b>	<u><b>£409,715</b></u>	<u><b>£362,409</b></u>
<b>C) ANALYSIS OF MANAGEMENT COST SHARED</b>		
	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
Staff cost	31,264	3,838
Depreciation	4,526	3,416
Audit and accountancy	2,359	2,644
Establishment and Others	10,170	48,689
	<u>48,319</u>	<u>58,587</u>
	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
<b>D) ANALYSIS OF FUND RAISING COST</b>		
Staff Cost	8,775	-
Other allocated costs	-	-
	<u>8,775</u>	<u>-</u>
<b>4 Operating surplus</b>	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
This is stated after charging:		
Depreciation	8,592	7,479
Directors' remuneration	-	-
Audit and accountancy	2,359	2,644
Sessional and freelance worker	39,308	30,174
Staff salary	196,791	141,141
Social Security Costs	<u>20,129</u>	<u>14,145</u>
The average number of employees, including volunteers employed by the organisation during the year was:	<u>40</u>	<u>38</u>

**Chinese Mental Health Association**  
**Notes to the Accounts**  
**for the year ended 31 March 2005**

**5 Taxation**

As the organisation's activities are exempt from taxation, no provision for corporation tax has been made.

**6 Tangible fixed assets**

	Office Equipment £
<b>Cost</b>	
At 1 April 2004	23,656
Additions	25,131
Disposals	-
<b>At 31 March 2005</b>	<u>48,787</u>
<b>Depreciation</b>	
At 1 April 2004	13,492
Charge for the year	8,592
On disposals	-
<b>At 31 March 2005</b>	<u>22,084</u>
<b>Net book value</b>	
<b>At 31 March 2005</b>	<u>£26,703</u>
<b>At 31 March 2004</b>	<u>£10,164</u>

<b>7 Debtors</b>	<b>2005</b>	<b>2004</b>
	£	£
Trade debtors and accrued income	4,747	4,967
Prepayments	9,275	6,300
	<u>£14,022</u>	<u>£11,267</u>

<b>8 Creditors: amounts falling due within one year</b>	<b>2005</b>	<b>2005</b>	<b>2004</b>	<b>2004</b>
	£	£	£	£
Trade creditors and accruals		8,109		17,858
PAYE and National Insurance		6,010		6,400
Deferred income				
- King's Fund - Social enterprise	8,000		-	
- Big Lottery Fund - Helpline project	25,998		26,469	
		<u>33,998</u>		<u>26,469</u>
		<u>£48,117</u>		<u>£50,727</u>

**9 Share capital**

The company is limited by guarantee and has no share capital.

Each member's liability in the event of being wound up is not exceeding ten pounds.

Chinese Mental Health Association  
Notes to the Accounts  
for the year ended 31 March 2005

10a Restricted Funds - Last year

	Balance 1 Apr 03	Grants & donations	Staff costs	Direct costs	Allocated overheads	Management cost shared	Balance 31 Mar 04
	£	£	£	£	£	£	£
City Parochial Foundation & Tudor Trust							
- Befriending Project	97	6,607	(4,741)	(90)	(95)	(1,778)	-
Department of Health							
- Housing Info. and Advice	19	43,334	(27,562)	(2,123)	(4,918)	(8,750)	-
Lloyds TSB Foundation -							
- Health Promotion	83	33,750	(24,501)	(5,897)	(1,234)	(2,201)	-
Connecting Communities							
- Holistic Therapy Project	-	1,413		(1,413)			-
King's Fund - Advocacy Project	-	35,985	(26,894)	(2,476)	(1,012)	(5,603)	-
Big Lottery Fund - Main Grant	54	31,699	(14,526)	(4,802)	(1,780)	(5,155)	5,490
The Diana, Princess of Wales Memorial							
- Fund							
- Youth Counseling and Family Therapy	6	83,456	(23,598)	(41,138)	(4,541)	(12,132)	2,053
Bridgehouse Estate Trust - Carers Support	16	18,577	(11,744)	(51)	(742)	(4,359)	1,697
Big Lottery Fund							
- Medium Grant	-	60,000	-	(39,790)	(6,989)	(7,938)	5,283
Department of Health - Core Funding	-	45,000	(35,117)	(85)	(1,702)	(8,096)	-
City Parochial Foundation							
- Information and Advice	-	8,750	(7,545)	(39)	(1,081)	(85)	-
Nationwide Foundation							
- User Empowerment	3,536	2,000	(4,839)	(67)	(14)	(616)	-
	<u>£3,811</u>	<u>£370,571</u>	<u>£(181,067)</u>	<u>£(97,971)</u>	<u>£(24,108)</u>	<u>£(56,713)</u>	<u>£14,523</u>

**Chinese Mental Health Association**  
**Notes to the Accounts**  
**for the year ended 31 March 2005**

**10b Restricted Funds - This year**

	Balance 1 Apr 04	Grants & donations	Staff costs	Direct costs	Other costs	Management cost shared	Balance 31 Mar 05
Department of Health	£	£	£	£	£	£	£
- Housing Info. and Advice	-	40,000	(26,881)	(400)	(7,233)	(5,486)	-
London Development Agency	-	6,590	-	(5,070)	(1,520)	-	-
- Housing report launch	-	47,719	(26,873)	(5,313)	(9,722)	(8,351)	2,950
Big Lottery Fund - Main Grant	5,490						
The Diana, Princess of Wales Memorial Fund							
- Youth Counselling and Family Therapy	2,053	83,780	(31,779)	(23,857)	(18,276)	(11,189)	732
Bridgehouse Estate Trust - Carers Support	1,697	18,986	(10,628)	-	(7,207)	(2,848)	-
Nationwide Foundation							
- User Empowerment	-	-	-	-	-	-	-
King's Fund - Advocacy Project		34,201	(32,428)	-	(1,773)	-	-
Big Lottery Fund							
- Medium Grant	5,283	-	-	(5,283)	-	-	-
City Parochial Foundation							
- Information and Advice		17,500	(16,247)	-	(1,253)	-	-
Department of Health - Core Funding		30,000	(28,952)	-	(1,048)	-	-
Big Lottery Fund - Helpline Project		120,140	(42,401)	(8,900)	(39,577)	(20,445)	8,817
	<u>£14,523</u>	<u>£398,916</u>	<u>(216,189)</u>	<u>£(48,823)</u>	<u>£(87,609)</u>	<u>£(48,319)</u>	<u>£12,499</u>

Chinese Mental Health Association  
Notes to the Accounts  
for the year ended 31 March 2005

11a Unrestricted Funds - Last year

	Balance 1-Apr-03 £	Grants & donations £	Staff costs £	Direct costs £	Allocated overheads £	Management cost shared £	Balance 31-Mar-04 £
Interpretation, collection and contribution	5,291	2,842	(555)	-	(121)	(1,874)	5,583
Bank deposit interest	614	1,170	-	-	-	-	1,784
Consultation	37	-	-	-	-	-	37
Others	-	-	-	-	-	-	-
	<u>£5,942</u>	<u>£4,012</u>	<u>(555)</u>	<u>-</u>	<u>£(121)</u>	<u>£(1,874)</u>	<u>£7,404</u>

11b Unrestricted Funds - This year

	Balance 1-Apr-04 £	Grants & donations £	Fund-raising Staff costs £	Direct costs £	Allocated overheads £	Management & Admin cost shared £	Balance 31-Mar-05 £
Interpretation, collection and contribution	5,583	7,307	(5,691)	-	-	-	7,199
Bank deposit interest	1,784	1,300	(3,084)	-	-	-	-
Consultation	37	-	-	-	-	-	37
Others	-	-	-	-	-	-	-
	<u>£7,404</u>	<u>£8,607</u>	<u>(8,775)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>£7,236</u>