

ASIA HOUSE

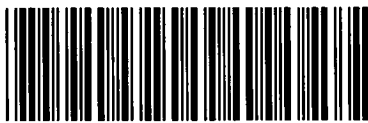
Company Limited by Guarantee

**CONSOLIDATED REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

Company Number 3312073

Charity Number 1072696

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ASIA HOUSE
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FOR THE YEAR ENDED 31 DECEMBER 2016

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ASIA HOUSE

REFERENCE AND ADMINISTRATIVE INFORMATION

TRUSTEES

Sir John Boyd KCMG, Chairman- resigned 31/12/16
Lord Stephen Green, Chairman
Mr Vahid Alaghband, Deputy Chairman
The Hon Apurv Bagri
Mr Stephen Ball- appointed 17/3/16
Mr Nicholas Butler
Mr Zarir Jal Cama
Mr Miles Celic-resigned 22/9/16
Mr Victor Chu
Sir Sherard Cowper-Coles-appointed 17/3/16
Mr Martin Dewhurst
Mr Tom Dodd-resigned 17/3/16
Mr Albert Ellis
Mr Timothy Fassam- appointed 8/12/16
Mr Richard Holmes-resigned 22/9/16
Ms Sung-Joo Kim
Ms Beth McKillop
Mr Dalip Pathak-resigned 31/12/16
Mr Vasuki Narayan Shastry-appointed 22/9/16
Lord Wei of Shoreditch

KEY MANAGEMENT PERSONNEL

Chief Executive
Director of Corporate Affairs
Head of Arts and Learning
Head of Operations and Events
Digital Editor
Head of Finance and Administration

Michael Lawrence
Charlie Humphreys
Pamela Kember
Philip Woodford-Smith
Naomi Canton
Priya Gadhia

CHARITY REGISTRATION NUMBER

1072696

COMPANY REGISTRATION NUMBER

3312073

REGISTERED OFFICE

63 New Cavendish Street
London W1G 7LP

AUDITORS

Kingston Smith LLP
Devonshire House
60 Goswell Road
London
EC1M 7AD

BANKERS

HSBC
89 Buckingham Palace Road
London SW1W 0QL

SOLICITORS

RadcliffesLeBrasseur
5 Great College Street
London SW1P 3SS

ASIA HOUSE

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2016

The Trustees of Asia House present their report and financial statements for the year ended 31 December 2016 which have been prepared in accordance with the Companies Act 2006, in accordance with Charities Act 2011 and SORP 2005.

CONSTITUTION

The company was incorporated on 29 January 1997 and was registered as a charity with the Charity Commission on 2 December 1998.

On 30 June 2000, Asia House purchased as a going concern all of the undertakings, assets, liabilities and obligations of Asia House Trust, a registered charity which had substantially the same objects as Asia House.

OBJECTS OF THE CHARITY

Asia House was founded to establish and maintain, for the public benefit, an Asia focused institution to further the appreciation and understanding of Asian countries, their cultures, religions and economies and to foster closer communication between the peoples of Europe and Asia through a programme of exhibitions, lectures, conferences and meetings.

TRUSTEES AND GOVERNANCE

The trustees who served during the year are named on page 2. Following the Government's implementation of the Charities Act 2011, the Trustees are cognisant of their responsibilities in demonstrating public benefit and have regard to the Charity Commission's guidance in this area.

The Finance, Audit and Risk Committee, on behalf of the Board, reviews the audit and finances of Asia House and maintains an overview of the risk management and governance processes ensuring that the system of internal control is satisfactory.

The Nominations and Compliance Committee, considers trustee nominations and makes recommendations for the composition of the Board of Trustees to a meeting of the Trustees. Following appointment, new trustees receive an induction briefing from the Chairman and CEO during a visit to Asia House.

PRINCIPAL ACTIVITIES

Asia House achieves its objectives through Cultural and Corporate Programmes.

The Cultural Programme delivers a wide range of activities that highlight the culture, beliefs, political and economic current affairs of the countries of Asia. The pan-Asian nature of the programme is crucial in delivering our objectives and ensuring the expansion and diversity of our audiences.

The Business and Policy Programme is designed to stimulate debate and intellectual leadership on key current issues by bringing together leading Asian politicians and diplomats, businesspeople and decision makers together with CEOs and executives from UK and Asian based companies.

REMUNERATION POLICY

The governing principles of the Charity's remuneration policy are as follows

- To ensure delivery of the Charity's objectives
- To attract and retain a motivated workforce with the skills and expertise necessary for organisational effectiveness
- That remuneration should be equitable and coherent across the organisation
- To take account of the purposes, aims and values of the Charity
- To ensure that pay levels and pay increases are appropriate in the context of the interests of our beneficiaries

The pay of the senior staff is reviewed annually. The remuneration bench-mark is the mid-point of the range paid for similar roles adjusted for a weighting for any additional responsibilities. If recruitment has proven difficult in the recent past a market addition is also paid.

RISK MANAGEMENT

The trustees have a risk management strategy which comprises:

- a regular review of the principal risks and uncertainties that the charity and its subsidiary Asia House Enterprises Ltd face;
- the establishment of policies, systems and procedures to mitigate those risks identified in the annual review; and
- the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

This work has identified that financial sustainability is the major financial risk for both the charity and its subsidiary. A key element in the management of financial risk is a regular review of available liquid funds to settle debts as they fall due, regular liaison with the bank, and active management of trade debtors and creditors balances to ensure sufficient working capital by the Trust and its subsidiary company. Attention has also been focussed on non-financial risks arising from fire, health and safety of artists and audience, management of performing rights and food hygiene. These risks are managed by ensuring accreditation is up to date, having robust policies and procedures in place and regular awareness training for staff working in these operational areas.

Systems of internal control, designed to provide reasonable assurance against material misstatement and loss, include:

- regular reports to the Trustees by the Chief Executive
- regular briefing of Chairman by the Chief Executive
- an annual budget approved by the Trustees
- regular consideration by the Trustees of the financial results, variance from budgets and non-financial performance indicators

The Charity's risk register is reviewed by Trustees annually. The register identifies the types of risks the charity faces, prioritises them in terms of potential impact and likelihood, and identifies means of mitigating each risk. The day-to-day responsibility for managing the risks is delegated by the Trustees to the Chief Executive and Senior Management.

Overview

Asia House brings Asia and the West closer together by enhancing understanding on both sides in a range of areas which include economic policy, commercial opportunities, social histories, visual arts, literature, academia and education. The organisation takes a holistic approach to bringing together the thinking between the two regions through two distinct and focused, yet related programme areas: the *Business and Policy Programme* incorporates decision-makers from business and government alongside experts on policy-making, geopolitics, macroeconomics and commerce. The *Arts and Learning Programme* showcases and promotes new and diverse works of Asian and Asia-focused individuals from the fields of aesthetic and intellectual arts, as well as organising educational programmes for UK-based audiences, as well as engaging with youth and community outreach programmes.

Asia House reached its 20th anniversary in 2016. Over the two decades of experience in bridging the societies and economies of Asia and Europe, Asia House has demonstrated the need for a broad approach to its mission. The Asia House *Business and Policy Programme* aims to elevate economic and commercial understanding and make constructive links with Asia. In order to do that it is essential to understand the geopolitics of the region and to do that, an understanding of the arts and culture of the region is essential. Combined with the *Arts and Learning Programme* therefore, this creates a very effective platform for greater diversity and appreciation of the arts of Asia and the fostering of strategic and enduring relationships to be built between the two regions.

Overall, our research highlights that Asia House events impact attendees in multiple ways. The events integrate intellectual development and recreation while challenging audience perception. In the case of events for which the number of attendees from various Asian communities can be measured and analysed, it is evident that Asia House provides a key platform for the audience to celebrate their own culture. In this respect, Asia House provides a unique environment and alternative space in London to connect cultures and business activity between the UK and Asia.

Achievements & Impact

Closely aligning ourselves with the mission and values of Asia House as a centre of expertise on Asia, we aim to promote and present cultural diversity and opportunities for audiences to experience the cultures of Asia here in London. We continue to measure success and achievements according to a set of measures and goals:

- Audience numbers increased in 2016, by 10% on 2015. Through proactively promoting principles of integration we aimed to successfully engage audiences of all ages, and ethnicities, especially young British Asians, and visitors between the ages of 11-30, with at least 20% new to Asia House.
- Establish strategies to engage under represented communities, and young people, through a range of educational activities, and inspire greater awareness and knowledge of the arts of Asia.
- Continue to develop long-term partnerships with other organisations to enrich the programme and establish the trust of those whose support we rely on to fund us.
- We carefully programmed events to ensure that artists within Asian communities were predominantly featured, many of whom have links to their communities.
- We reached out to communities through as many networks as possible (embassies, societies etc.). As a result, the majority of our events saw audiences of 50%+ Asian attendees. These numbers were higher for events which focused on China, Iran, and India, where Asia House has really excelled in reaching diverse Asian communities in the UK. Audience demographics were determined through visual surveys, ticket sales, and attendance at events themselves.
- Many of our literature events attracted audiences of 70%+ capacity and the Literature Festival in particular increased on numbers from 2015. Several of our events sold out.

- We hosted talks and exhibitions on the cultures of lesser-known Asian countries for our audiences, including Mongolia, Nepal, Georgia and Kazakhstan.
- We gained Prospect magazine as a media partner for the Literature Festival. We also received coverage from The Guardian, BBC, Time Out, Londonist and The New Statesman.
- In addition to organisations we have worked with in the past, such as the Iran Heritage Foundation, and the British Council, we worked with new organisations including Kalansangam, Bradford; China Exchange, London; Korean Cultural Centre, London; BFI, London and the Georgian Embassy.

Measuring impact

We are assessing our talks and events more rigorously to establish which perform better than others in terms of audience impact and figures. Some clear patterns have emerged, such as events on South Asia and Iran gain greater attention than those on East Asia. This is partly because the South Asian and Iranian communities are greater in the UK. While there is still value for a balanced programme featuring all countries, we are responding to a clear public desire for events that serve wider Asian communities.

In addition to judging the success of events according to the numbers of people in attendance, we also use Survey Monkey for the Literature Festival to ascertain the quality of an event. We have analysed the results and fed this into our future programming. We also judge audience engagement through media coverage, social media engagement and verbal feedback at the events themselves.

Business and Policy Programme 2016 Review

The Asia House Business and Policy programme enhances economic and commercial understanding and makes constructive links between Europe and Asia. The aim of the programme is to support significant progress in the economic and political engagement between the two sides, leading to tangible economic and social benefits for the populations of both regions.

As well as events to foster discussions and dialogue on a wide range of issues impacting economic and political engagement between Europe and Asia, Asia House also provides advice, insights and support to governments, businesses and other organisations in order to foster better high-level connections between the two geographies. Over the course of 2016, the Business and Policy Programme consisted of 48 events offering in depth insights into key topics relevant to the development of national and international trade and economic policy, commercial approaches to trade and investment and developments in the Asian markets.

Over the course of 2016 Asia House significantly contributed to understanding between Asia and Europe in the fields of business and politics through the production of a number of high level signature conferences. These major events brought together leading opinion-formers and decision-makers from the two regions to enter into discussion and dialogue with each other and the conference participants to discuss, on the public record, key issues impacting political and economic engagement. Conducted on-the-record and documented on asiahouse.org, social media and other online platforms, these events raised the profile of important issues relating to Asia-Europe business and policy, but also allowed participants to engage in a public forum to generate relevant knowledge on the topics of discussion.

Working in close cooperation with the government of the Philippines, in April Asia House organised a conference on the economic and political developments in the region. With a keynote speech from then Finance Secretary of the Philippines Cesar Purisima, the conference brought together leading figures

from government and business to give an overview of the latest economic developments, but also explore the potential impact of the forthcoming presidential elections in the Philippines. Attended by approximately 100 guests, the event, held on the record, was also documented on asiahouse.org and via social media channels. The discussion helped to raise awareness of the opportunities and challenges associated with trade and investment with the Philippines and the ASEAN region more broadly and the networking allowed businesses to connect with a view to increasing their engagement.

Continuing a close partnership with the Asian Development Bank (ADB), also in April Asia House co-organised a signature conference to highlight the key findings from their major annual publication – the Asian Development Outlook. The ADB is the major multilateral development organisation focusing on the pan-Asian region. Their Asian Development Outlook covers a wide range of macroeconomic issues and forecasts the challenges and opportunities faced by the region. Asia House was their chosen platform to launch the report in Europe and the ADB Deputy Chief Economist Juzhong Zhuang came over to give a comprehensive presentation on the report, following which Asia House convened leading figures from government and business for a panel discussion on the findings. The event was attended by approximately 150 delegates from business, diplomacy, government and other institutions. Asia House continued to work closely with ADB throughout the year and Asia House CEO Michael Lawrence provided key advice as part of a strategy consultation with the ADB in Frankfurt in September.

Following the referendum in June, resulting in the UK making the decision to leave the European Union, Asia House started a Brexit Series of events to focus on the impact of this major change in foreign policy on Europe's relationship with Asia and the global trade regime more broadly. Asia House organised a number of roundtables and discussions on the impact of Brexit for both Asian and Western multinational companies. The series included:

- A briefing with Lord Mandelson, former EU Trade Commissioner, on the impact of the UK's decision to leave the EU and the potential for subsequent free trade agreements between the UK and Asian countries.
- A briefing with Jeremy Browne, former UK Asia Minister and Special Representative to the EU for the Corporation of the City of London, on the impact of Brexit on Financial Services.
- A discussion on the impact of Brexit on the Asia Pacific region with H.E. Alexander Downer, Australian High Commissioner to the UK, H.E. Dr. Rizal Sukma, Indonesian Ambassador to the UK and H.E. Evan Garcia, Philippine Ambassador to the UK.
- A discussion on the implications of Brexit for businesses with Catherine Barnard, Professor of European Union Law, University of Cambridge; Ian Hunter, Partner, Linklaters; David Sayer, Senior Partner & Member of the Board, KPMG UK LLP; and Simon Wells, Chief UK Economist, HSBC.
- A discussion on the implications of Brexit on the insurance industry with Inga Beale, CEO of Lloyd's (of London).
- Discussions on the UK's post-Brexit Trade Policy with Sir Martin Donnelly, Permanent Secretary of the UK's Department for International Trade (DIT), Mark Garnier MP, The Parliamentary Under Secretary of State at DIT and Greg Hands MP, Minister of State at DIT.

In September Asia House organised a signature conference in partnership with KPMG entitled *ASEAN on the global stage*. The aim of the conference was to highlight some of the key developments in business and policy in Southeast Asia. The Keynote Speaker was Lord Green of Hurstpierpoint, former UK Trade Minister. Panellists were drawn from businesses in the UK and Asia, as well as Asian diplomatic missions in the UK. The conference brought together over 100 attendees from the business and policy community. Speakers included Nazir Razak, Chairman of CIMB Group; Tham Sai Choy,

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Chairman, KPMG Asia Pacific Region; Andy Cheah, General Manager of United Overseas Bank (UOB) in the UK and Gregory Hodkinson, Chairman of Arup.

In November Asia House organised a signature conference in partnership with HSBC entitled *A New Trade Era – What it means for Asia and the UK*. The Keynote Speaker was Alok Sharma MP, then Minister for Asia and the Pacific at the UK's Foreign and Commonwealth Office. Panellists were drawn from businesses in the UK and Asia, as well as Asian diplomatic missions in the UK. The conference brought together over 150 attendees from the business and policy community and shed light on the commercial realities of the changing global trade and investment regime. Speakers included Anne Patricia Sutanto, Vice President Director of Pan Brothers in Indonesia; Natalie Blyth, Global Head of Trade and Receivables Finance, HSBC; Paul Smith, Executive Chairman of Harvey Nash Outsourcing; Alistair Hughes, Managing Director of Savoir Beds and Priscilla To, Director General of the Hong Kong Economic & Trade Office in London.

Asia House also organised a number of roundtable discussions between leading Asian and European government figures and large, globally significant companies operating between the two regions. The more intimate nature of the discussion at these events fostered a free and frank exchange of views in order to enhance understanding of key business and policy issues. Highlights of the roundtable discussions include:

- **Joko Widodo, President of Indonesia**, on the Indonesian economy
- **Cesar Purisima, Finance Secretary of the Government of the Philippines**, on the Economic and political developments in the Philippines
- **Carrie Lam, Chief Secretary for Administration, The Government of Hong Kong Special Administrative Region**, on Hong Kong's role in China's Belt and Road initiative
- **Sir Suma Chakrabarti, President, European Bank for Reconstruction & Development**, on the role of the EBRD in China's Belt and Road initiative
- **Arunma Oteh, Vice President of the World Bank**, on the relationship between the World Bank and the Asian Infrastructure Investment Bank (AIIB)
- **Thomas Lembong, Chairman of the Indonesia Investment Coordinating Board (BKPM) and Former Indonesian Minister for Trade**, on the ongoing economic reforms in Indonesia
- **Hamid Chitchian, Minister of Energy of Iran**, on Iran's Energy Sector after the lifting of sanctions
- **Lundeg Purevsuren, Minister for Foreign Affairs of Mongolia**, on opportunities for investment into Mongolia
- **Hamid Tehranfar, Vice Governor, Central Bank of Iran**, on the Iranian business climate
- **HE Liu Xiaoming, Chinese Ambassador to the UK**, on the GDP growth forecasts in China and their Belt and Road initiative

Private Research and Advisory Services

In addition to the programme of events, Asia House also developed advisory and private research services over the course of 2016 for companies seeking to develop trade and/or investment programmes between Asia and Europe. Asia House also engaged with a number of governments, multilateral bodies

and intergovernmental organisations to provide them with insights into macroeconomic, geopolitical and commercial developments, but also to ensure the Business and Policy programme adequately and objectively reflected their interests. Asia House was commissioned by a UK-based company to undertake a major private research project – approximately 20,000 words – into the Chinese aviation and aerospace manufacturing industry. Due for completion in the first quarter of 2017, the project marked the first major private research project which Asia House had been commissioned to carry out, with a view that this will lead to further commissions

Publications

Asia House continued to develop its publications in 2016 with a book entitled *Asia 2025*. The book, which was sponsored by Prudential, contained a collection of 25 informed opinion pieces by prominent voices that include influential thought leaders in and experts from Asia, international government figures, academics, CEOs and Chairmen from some of the world's leading multinationals. The unique collection of pieces covered topics that include digital Asia, the rise of the Asian multinational, the harmonisation of regulations in the region, energy security, climate change as well as demographic shifts and other important developments the region will face over the next decade.

The book was launched at an event at Asia House attended by approximately 150 guests from business, government, diplomacy and think-tanks. The UK Foreign and Commonwealth Office Minister with responsibility for Asia, Hugo Swire MP, gave a speech at the launch event, along with contributors Paul Manduca – Chairman of Prudential, Nazir Razak – Chairman of CIMB Group and Beth McKillop – Deputy Director at the Victoria & Albert Museum. Other contributors included:

- **Jusuf Kalla, Vice President of Indonesia**
- **Dominic Barton, Global Managing Director of McKinsey & Company**
- **Tatsuo Yasanaga, President and CEO of Mitsui & Co.**
- **Ivan Menezes, Chief Executive of Diageo**
- **Sam Walsh, (then) Chief Executive of Rio Tinto**
- **Sir Martin Sorrell, Chief Executive of WPP**
- **Jaime Augusto Zóbel de Ayala, Chairman and CEO of Ayala Corporation**

The publication was extremely successful, garnering very positive feedback from audiences and Asia House undertook additional print runs to meet high demand for the publication.

Corporate Membership

Asia House Corporate Membership includes large and small UK based companies with business interests in Asia, covering a range of sectors including finance and banking, law, energy, engineering, telecommunications, consultancy, retail and recruitment. Membership at 31 December 2016 comprised 52 organisations.

Partnerships

Partnerships are maintained with UK, European, US and Asian think-tanks to broaden the reach of our programmes and enrich our content.

Asian Business Leaders' Award (ABLA)

Each year the Asia House Board of Trustees recognises the achievements and service of an Asian Business Leader. An award is made at a gala dinner to recognise an individual's contribution as a leader in business and society. The 2016 ABLA was presented to Hiroaki Nakanishi, Chairman of Hitachi.

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Secretary of State for Business, Energy and Industrial Strategy The Rt Hon Greg Clark MP gave the keynote address. Speeches were also given by Douglas Flint, Chairman of HSBC Group Holdings; Paul Manduca, Chairman of Prudential; Tracy Clarke, Regional CEO, Europe and Americas at Standard Chartered; and Vahid Alaghband, Chairman of Balli Holdings.

Along with Asia House supporters from London's business and policy community, diplomats and senior figures from the international business community attended the function and raised funds for the organisation's ongoing programmes. The evening was supported by HSBC, Prudential, Hitachi

Europe Ltd., Harvey Nash, Hitachi Nuclear, Standard Chartered, Hitachi Rail, McKinsey and Company, Hitachi Data Systems, PwC, Hitachi Capital Ltd., Allen & Overy and Hitachi High Technologies.

Conclusion

By bringing together leading decision makers from Asia and the West in public and private forums, the Asia House Business & Policy programme seeks to add public benefit by increasing understanding between these two regions in the areas of political systems, economics, commercial engagement, bilateral and multilateral diplomacy, security and geopolitics. The public conferences attract a range of delegates from small businesses, medium-sized enterprises, multinational corporations, UK government departments and agencies, diplomatic missions in the UK, academic institutions, think-tanks and independent organisations. Through our private briefings we offer an objective space for free and frank dialogue and discussion to bring together thinking between governments and the private sector in Europe and Asia with a view to preparing both sides for increased engagement and the growing level of influence of Asian countries on the global political economy.

The corporate membership structure is extremely important for Asia House to fulfil its mission. The income generated from corporate members underpins the organisation financially, but just as important is the fact that the engagement with leading multinational companies also brings in key participants from the private sector to the discussions. Through this community, which increasingly involves Asian companies, Asia House is also able to develop an understanding of the commercial realities for companies involved in trade and investment between Asia and Europe.

The publications allow Asia House to further enhance understanding to wider audiences and the advisory and private research assist specific organisations that require more in-depth assistance and guidance with regard to market structure, political systems, macroeconomic factors and geopolitics. In providing these insights, Asia House is able to enhance understanding in a broadest sense, but also deliver very practical support when it is needed the most in specific situations.

Asia House Arts and Learning Programme 2016 Review

20th Anniversary Celebrations

As Asia House celebrated its 20th Anniversary in 2016, the Arts and Learning Department programmed more than 20 talks and events, held two popular art exhibitions, and hosted our **20th Anniversary Gala Dinner and benefit art auction** on June 21. The auction was launched online via Paddle8, an online auction house, with over twenty-five works by leading artists from Asia who generously donated original art works to raise funds for our Arts and Learning programme. Guests to the Gala Dinner and live auction included Asia House founders, trustees, friends and supporters of Asia House from the arts, corporate and business communities. We are most appreciative of everyone's generosity and support in making our Anniversary event such a special occasion.

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Main Activities

We had an increasing number of visitors during our Anniversary year, including school groups, and arts students for tours and introductory talks. Masters students at **Sotheby's Institute** and **Christie's Education** paid us a visit to learn about our curatorial programming and in return, we took the opportunity to hear about their assigned exhibition project proposals for 2017. During **Frieze Art Fair** and **London Galleries Open Night** in early October, we co-hosted an important debate with the participation of **Caspian Art Foundation**. Chaired by **Jonathan Watkins**, Director of the Ikon Gallery, Birmingham, leading museum and art directors from cultural institutions in Asia and the Middle East were invited to discuss the challenges currently facing the arts in these regions.

Asia House Literature Programme & Asia House Bagri Foundation Literature Festival

2016 also marked the 10th year of the Asia House Bagri Foundation Literature Festival. Twenty-six events took place between April and May, including a conference on Shakespeare in India in partnership with the BFI, and a series of talks on Georgia. This was the second year of the Festival with **Jemimah Steinfeld** as Literature Programme Manager. Through the partnerships and events she organised and implemented in 2016, Steinfeld built on the success of her first year as Literature Programme Manager.

Working with **Eastside Educational Trust**, we continued our **Literature Outreach Programme** to schools in the region, with guest authors and writers. This included eleven libraries and two new cultural institutions across the UK. Once again the **Literature Outreach Programme** was very successful. The theme of counter-cultures, which reflected alternative voices emerging from British Asians, saw school children respond to literature with more enthusiasm than in the past years as they felt it resonated with their lives more. The final day of the programme in June 2016 hosted 80 children from across the country for a full day of workshops. Feedback from both teachers and students was very positive: the year previously it had just been half a day and they had said this was too short and responded well to the new, longer format. A number of students referenced how they felt their writing had improved: "I think I have gained more knowledge about creative writing and would try and write a poem next." "Poetry skills, because we were given a limited amount of time and I did 2 drafts and produced a poem that I was proud of." "...I realised I do love writing." Others commented on having fun, and others on the feeling of 'confidence' and 'freedom' that they gained. Moving forward, we aim to concentrate more on reaching those students who have responded the most to the schools programme.

Jemimah Steinfeld gave notice in October 2016 to take up a senior editorial position with **Index on Censorship** in January 2017. We would like to thank her for her commitment to our Arts and Learning Programme, and wish her well in the future. **Hande Eagle** was appointed as her successor in January 2017. She comes with over 8 years of experience in translation, journalism and publishing. Her specialisation is in the arts and literature of Central Asia and Eurasia. We look forward very much to expanding our literature programme under her new direction.

Arts Prize & Exhibitions

For the first time, the Arts and Learning Department collaborated with an international art award project, the Art Gemini Prize, founded by Singaporean entrepreneur Jimmy Lek. The award attracted over 900 entries, and Pamela Kember-Tong, Asia House's Head of Arts and Learning, was one of the judges. The 50 shortlisted works went on display in the Asia House Gallery, with a prize-giving ceremony for the award winners on the opening night. The preview alone attracted 150 first-time

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visitors to Asia House, and the prize gained a good deal of social media interest, which greatly helped promote Asia House and its arts programme to a global audience. The summer exhibition titled, 'P'eng's Journey to the Southern Darkness' was the first London solo show of leading Taiwanese artist, Ting Tong Chan. Co-curated by Mariam Neza, Asia House Arts Programme Manager and Curator, and guest curator, Eiko Honda, the show drew an enthusiastic younger audience as it combined animatronics, caricature drawings and videos. The exhibition was funded by the Taiwan Representative Office.

In future we aim to ensure exhibition costs are covered through sponsorship or grants for all of our Arts and Learning curated projects

Asia House Film Festival

The Asia House Film Festival, sponsored annually by Prudential, took place between 22 February and 5 March 2016 with a total of 14 feature length films and five short films. Countries represented this year included lesser-known cinema histories from Kazakhstan to Georgia. The Opening Gala Night focused on Kazakhstan's official submission for the Best Foreign-Language Film category at the 2016 Oscars, by director Yermek Tursunov, entitled *Stranger*, (Zhat). Under the artistic direction of Jasper Sharp, the Festival promoted pan-Asian cinema, across all genres from anime to thrillers and documentaries to appreciative audiences.

The generous support and funding for the Asia House Film Festival from Prudential came to its contracted three-year end in February 2016. We are indebted to them for their continued support throughout this period. Attempts to secure a further lead sponsor did not materialise by the cut-off date of August 2016. Thus, the decision to terminate the annual festival for the foreseeable future was taken.

However, as an alternative approach to our film festival, we are actively seeking sponsorship opportunities with the embassies and cultural organisations of Asia based in London to invest in funding a '**Film Season**' focusing on the history of cinema for individual countries in Asia. An increasing number of institutions have subsequently shown an interest in screening films to promote their respective country's film industry. We also integrated feature films and documentary films into the wider arts programme throughout the year which proved very popular and shaped our audience for regular screenings, as well as increasing revenue for our programme.

Music Futures Festival

A key highlight for the autumn programme included our much anticipated follow-up Music Futures Festival, giving stage to over 20 talented young musicians from Asia and Europe. In partnership with Talent Unlimited, a non-profit organisation that assists students with funds towards their music school fees, and supported by Steinway & Sons, we observed a rich and diverse group of young musicians perform lunchtime and evening recitals to an appreciative and diverse audience.

Asian Art in London Week: 3– 11 November

A number of works on the theme of 'The Art of Chinese Woodblock Prints' went on display in our reception area during Asian Art in London Week, with the aim to attract international audiences to Asia House during the ten-day programme. Over 60 venues including auction houses, galleries and museums, focus on the arts and cultures from the region, participated. The selected woodcuts were on

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loan with the generous support from the extensive collection of the Muban Educational Trust.

Cuisine and Culture: 16 November 2016

Celia Plender – the recipient of the 2016 Yan-kit So Award – gave a talk about her culinary research into Japanese regional cuisine at an evening event on 16 November which was followed by a reception. This was the last year that the award will be presented in collaboration with Asia House as it has now transferred to the Oxford School of Hospitality Management, Oxford Brookes University.

Fashion & Faith: 30 November 2016

On November 30, in collaboration with London College of Fashion (part of the University of the Arts London) we hosted a panel discussion with Professor Reina Lewis. The main subject of the panel was the heightened political significance of the religiously dressed body in a post-Brexit Britain. Professor Lewis was in-conversation with three guest speakers representing a range of cross-faith views, discussing the significance of appearance in debates about race, ethnicity, migration, religion and national belonging. This event also drew a higher number of students to Asia House than usual, helped by partnering with a university.

Asia House Arts Membership Scheme

Following a long and intensive review of our existing Friends Scheme, in October 2016 we re-launched what will be known as the 'Asia House Arts Membership' scheme (AHAM). The aim of this new scheme is to increase our arts membership to 2,000 new members in 2017 and to build a community through a dedicated loyalty programme. Working closely with the Communications team we have an action plan to implement high value benefits to attract people to the scheme – most significantly, 50% off the ticket price of all of our arts events for members in the future. We have also transferred our bookings account from our current Eventbrite ticketing system to See Tickets, an alternative online platform that helps build audiences for events and encourages a younger demographic to sign up.

Arts and Learning Funding and Support

We were delighted to have received confirmation from the Bagri Foundation that they will continue to support the Literature Festival in 2017. The Asia House Bagri Foundation Literature Festival has been a highly successful partnership with the Bagri Foundation's support, not only in engaging audiences with established and emerging artists from the region, but also in expanding our outreach youth programme to schools and libraries. We are incredibly grateful to the Bagri Foundation for enabling us to now forge ahead with our ambitious plans for 2017.

Following the successful outcome of our application to the Cockayne Arts Foundation Grant for the Arts we are pleased that the grant received will go towards a new series of talks for 2017. Titled 'Sin Cities: Vice & Virtue across Asia's Urban Landscape', this series of talks will explore the writings of six authors from six cities in Asia. We anticipate this being a further highlight of our 2017 Literature Programme.

Funded by a grant from the Great Britain Sasakawa Foundation, former Asia House artist-in-residence, Eiko Soga has completed her research trip to Japan where she has been living and working in Nibutani Hokkaido with the Ainu (アイヌ) indigenous people of the Northern part of the country. She will be

giving a talk about her experiences in early 2017 and working towards an exhibition once further funding has been secured. Mariam Neza will be approaching the SOAS Centre for Endangered Languages, and the Cambridge-based, Vanishing Worlds Foundation for a grant, as they are both committed to preserving oral languages, sub-cultures, and diverse cultural expressions, internationally.

Digital New Media Strategies

There is huge potential for the cultural activities of Asia House to develop and achieve greater influence through engagement online as digital and new media expansion, backed by a rise in social media advances, sees a growth in the number of internet users seeking cultural activities and events. We aim to enhance our Arts and Learning website in the upcoming months in order to develop and improve the future direction of online information and accessibility to all our events.

Impact on Diversity & Equality: Black and Ethnic Minority [BAME] artists

Embracing diversity and inclusivity is central to our Arts & Learning programming. With a focus on Asia and diasporic communities from the region, representation of creative talent across all art forms offers us the opportunity for greater public engagement and integration. For example, BAME writers in the publishing industry is at an all-time low and through our Asia House Bagri Foundation Literature Festival and year round programme, their promotion and financial support is critical to gaining wider attention and appreciation. Therefore, we cannot underestimate the impact our programmes have on diversity in particular on youth and children

Future Plans

We are committed to increasing numbers and broadening the community of our Asia House arts membership scheme by offering a rich and diverse range of activities that focus on both exclusivity and inclusivity in order to gain greater loyalty and following. Increasing regular communications through letters and promoting special events and offers to arts members is also valued.

- We will continue to evaluate the accessibility to our programmes by putting feedback mechanisms in place on reviewing content, diversity of programming, and assessing audiences and communities, to further the aims and objectives of our Arts and Learning Programmes.
- We will improve our methods of collecting data and analyse both quantitative and qualitative statistics in relation to our audience demographic in order to broaden diversity and our commitment to equal opportunities.
- We will analyse feedback to create a wider and more diverse audience for our range of programmes, and will foster greater accessibility and networking capabilities, both nationally and internationally.
- We will create an infrastructure that is based on mutual cooperation and increased partnership with other organisations. Some of the most attended events of the 2016 Literature Festival were events where we collaborated on programming, marketing, and in-kind sponsorship, thus we will continue to aim for greater cooperation between arts organisations, whose mission is to help promote the arts of Asia, in the future.
- Of equal importance is the need for us to continue to address fundraising strategies and implement plans to gain greater support and commitment to our programme from both grant giving bodies as well as the corporate sector in a highly competitive arts market.
- Asia House continues to generate revenue from commercial use of Asia House's premises. This includes hire of rooms by third parties and sub-letting surplus office space.

ASIA HOUSE

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2016

FINANCIAL REVIEW

In the year to 31 December 2016, Asia House delivered a surplus of £2.1m (2015: £350k) with a total revenue of £3.9m (2015: £2m). The total income for the year was £1.8m. The disposal of 34 Weymouth Mews and the rear of 63 New Cavendish Street resulted in a gain of £2.1m.

The charity's wholly owned trading subsidiary, Asia House Enterprises Ltd, continued to trade well. The concerted effort to recruit a broader base of Corporate Partners which started is continuing. The Founding Stakeholders, HSBC, Prudential and Standard Chartered continue to support this effort. During the year the following new corporate members were recruited:

- Aggreko
- Air Asia
- Airbus
- BHP Billiton
- BAE Systems
- De La Rue
- DWF LLP
- NATS
- Pfizer
- Shardul Amarchand Mangaldas
- University of Nottingham
- UOB
- Vitol SA
- Zaiwalla & Co LLP

RESERVES POLICY AND GOING CONCERN

To safeguard the need for sufficient funds to cover on-going management and administration and support costs, the reserve policy set by the Board is to maintain free reserves at a level that equals 3 months (£459k) of operating and charitable expenditure anticipated in 2017.

At 31st December 2016 the charity's free reserve was £3.6m (General Unrestricted fund £9.3m less Net Fixed Liabilities (Fixed Assets less long term loans) of £5.7m). The Board is satisfied with the free reserves balance.

Detailed cash flow projections demonstrate that the charity remains cash positive. The freehold property was last valued in 2016 and the building was estimated to be worth £10m on the open market based upon its current usage. The trading company has continued to sustain its income. The Trustees believe that the organisation is a going concern.

ASIA HOUSE ENTERPRISES

Asia House Enterprises Ltd is a trading subsidiary of Asia House, operating the corporate membership programme, commercial letting of the function rooms at 63 New Cavendish Street.

Net income generated by Asia House Enterprises increased to £718k (£500k in 2015). This increase was mainly due to external hire of Asia House's premises referred to above.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also directors of Asia House for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice.) Company law required trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and of its income and expenditure for that period.

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 accounting standards including FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether a Statement of Recommended Practice (SORP) applies and has been followed, subject to any material departures which are 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 business.

The trustees are responsible for keeping 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 the group 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 auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is 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.

AUDITORS

Kingston Smith LLP have indicated their willingness to continue in office and are deemed to be reappointed in accordance with section 487(2) of the Companies Act 2006.

.....

Lord Green of Hurstpierpoint, Chairman
20th June 2017

We have audited the financial statements of Asia House for the period ended 31 December 2016 which comprises the Group Statement of Financial Activities, the Group and Charity Balance Sheet, the Group and Charity Cash Flow Statement and related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland.'

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 and, in respect of the consolidated financial statements, to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company, the charitable company's members, as a body, and the charity's trustees, as a body, for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 15, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 December 2016 and of the group's 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 and the Charities Act 2011.

Opinion on other matter prescribed by the Companies Act 2006

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 require us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- The trustees were not entitled to prepare the financial statements in accordance with the small company's regime and take advantage of the small company's exemption in preparing the Trustees' Annual Report and from preparing a strategic report.

Kt- Jta LV
.....
Neil Finlayson (Senior Statutory Auditor)
For and on behalf of Kingston Smith LLP, Statutory Auditor

Date: *25/7/2012*
Devonshire House
60 Goswell Road
London
EC1M 7AD

Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

ASIA HOUSE

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds 2016 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds 2015 £'000
INCOME FROM:							
Donations and Legacies		153	-	153	257	-	257
Income from trading Subsidiary		1,284	-	1,284	1,083	-	1,083
Charitable activities		129	-	129	128	-	128
Other income		264	-	264	580	-	580
Total income	2	1,830	-	1,830	2,048	-	2,048
EXPENDITURE ON:							
Raising funds		172	-	172	135	-	135
Venue Hire & Business & Policy		1,234	-	1,234	1,198	-	1,198
Charitable Activities		378	13	391	364	1	365
Total expenditure	4	1,784	13	1,797	1,697	1	1,698
NET INCOME/(EXPENDITURE) FOR THE YEAR		46	(13)	33	351	(1)	350
Other recognised gains:							
Gain on disposal of property		2,068	-	2,068	-	-	-
NET MOVEMENT IN FUNDS		2,114	(13)	2,101	351	(1)	350
TOTAL FUNDS BROUGHT FORWARD		1,067	23	1,090	716	24	740
TOTAL FUNDS CARRIED FORWARD	15	3,181	10	3,191	1,067	23	1,090

All of the charitable company's activities are derived from continuing activities.
All recognised gains and losses are included in the Statement of Financial Activities.
The notes on the accompanying pages form a part of these Financial Statements.

ASIA HOUSE
CONSOLIDATED BALANCE SHEET
AT 31 DECEMBER 2016

	Notes	Group		Charity	
		2016 £'000	2015 £'000	2016 £'000	2015 £'000
FIXED ASSETS					
Tangible Assets	8	10,009	5,208	10,009	5,208
Intangible Assets	9	17	18	17	18
		<u>10,026</u>	<u>5,226</u>	<u>10,026</u>	<u>5,226</u>
CURRENT ASSETS					
Stock		4	4	-	-
Debtors	11	278	260	805	624
Cash at bank and in hand		4,411	586	4,251	153
		<u>4,693</u>	<u>850</u>	<u>5,056</u>	<u>777</u>
CREDITORS: amounts falling due within one year	12	<u>(1,175)</u>	<u>(706)</u>	<u>(1,538)</u>	<u>(633)</u>
NET CURRENT ASSETS/ (LIABILITIES)		<u>3,518</u>	<u>144</u>	<u>3,518</u>	<u>144</u>
DEBTORS: amounts falling due after more than one year	11	<u>50</u>	<u>-</u>	<u>50</u>	<u>-</u>
TOTAL ASSETS LESS CURRENT (LIABILITIES)		<u>13,594</u>	<u>5,370</u>	<u>13,594</u>	<u>5,370</u>
CREDITORS: amounts falling due after more than one year	12	<u>(4,280)</u>	<u>(4,280)</u>	<u>(4,280)</u>	<u>(4,280)</u>
TOTAL NET ASSETS		<u>9,314</u>	<u>1,090</u>	<u>9,314</u>	<u>1,090</u>
FUNDS & RESERVES					
Unrestricted – General Fund	15	3,181	1,067	3,181	1,067
Revaluation Reserve	15	6,123	-	6,123	-
Restricted Fund	14	10	23	10	23
		<u>9,314</u>	<u>1,090</u>	<u>9,314</u>	<u>1,090</u>

Approved and authorised for issue by the Board of Trustees on 20th June 2017 and signed on its behalf by:


 Lord Green of Hurstpierpoint, Chairman

The notes on the accompanying pages form a part of these Financial Statements. Company Number: 3312073

ASIA HOUSE

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	Group 2016 £'000	2015 £'000	Charity 2016 £'000	2015 £'000
Net cash inflow from operating activities	20	(2)	331	271	110
Investing activities:					
Purchase of intangible fixed assets		(10)	(37)	(10)	(37)
Purchase of tangible fixed assets		(21)	-	(21)	-
Proceeds from sale of property		4,113	-	4,113	-
Net cash used in investing activities:		4,080	294	4,353	73
Financing activities:					
Repayment of bank loan		(255)	-	(255)	-
Net cash used in financing activities		(255)	-	(255)	-
Net cash generated in financing activities		3,825	294	4,098	73
Cash and cash equivalents at the beginning of the year		586	292	153	80
Total cash and cash equivalents at year end		4,411	586	4,251	153

1. ACCOUNTING POLICIES

a. Basis of accounting

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charitable Company and its subsidiaries are a public benefit group for the purposes of FRS 102 and therefore the Charity also prepared its financial statements in accordance with the 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 (The FRS 102 Charities SORP), the Companies Act 2006 and Groups (Accounts and Reports) Regulations 2008 (SI 2008/410), and the Charities Act 2011.

b. Preparation of the accounts on a going concern basis

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable group to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the charitable group's forecasts and projections and have taken account of pressures on donation and investment income. After making enquiries the trustees have concluded that there is a reasonable expectation that the charitable group has adequate resources to continue in operational existence for the foreseeable future. The charitable group therefore continues to adopt the going concern basis in preparing its financial statements.

c. Basis of consolidation

Group financial statements consolidate the financial statements of Asia House and its wholly owned subsidiary undertakings, Asia House Enterprises Limited and Sixty Three New Cavendish Limited, for the year ended 31 December 2016. In accordance with Section 408 of the Companies Act 2006, no separate statement of financial activities is presented for Asia House.

d. Fund accounting

The general fund comprises those monies which may be used towards meeting the charitable objectives of the charity at the discretion of the trustees.

The restricted fund comprises monies raised for, and their use restricted to, a specific purpose, or donations subject to donor imposed conditions.

Non charitable trading fund consists of the retained profits of activities conducted through non-charitable trading subsidiaries.

e. Incoming resources

With the exception of voluntary income arising from donations and membership subscriptions, which are recognised in full on the date of receipt, all income is credited to the statement of financial activities on the accruals basis. Donations are credited to the statement of financial activities in the year in which they are received.

ASIA HOUSE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

f. Resources expended

Charitable expenditure comprises direct expenses incurred on the defined charitable purposes of the charity and includes direct staff costs attributable to the activity and an allocation of the general management and overhead costs.

Fundraising costs comprise expenditure incurred by the charity in inducing others to make contributions to it.

Support costs are allocated across expenditure categories, on the basis of average staff activity during the year.

g. Allocation of support costs

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 Trusts artistic programmes and activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 4.

h. Fixed assets

Fixed assets are stated at cost and depreciated over their estimated useful lives as follows:

Tangible fixed assets:

- Leasehold property & improvements - over 132 years
Except costs of the studio refurbishment which are being depreciated at 10% p.a. straight line
- Office & IT equipment - 25% p.a. straight line

Intangible fixed assets:

- Website & database - 25% p.a. straight line

The Charity capitalises assets above £250

Leasehold property included in the balance sheet at open market value as permitted by regulations made under the Companies Act 2006 and in accordance with financial reporting standard 15 accounting for fixed assets. No depreciation is provided on the revalued amount as valuations are carried out on a three yearly cycle and the residual value is considered to be at least equal to the carrying value. Therefore any depreciation in the periods between valuations would not be material to the financial statements given the company's policy to maintain the building in good condition throughout the period of the lease (150 years from 1999).

i. Stock

Stock comprises beverages for venue hire and is stated at the lower of cost and net realisable value.

j. Uses of Estimates and Judgements

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The following judgements and estimates are considered by the trustees to have most significant effect on amounts recognised in the financial statements. The view of the trustees applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

ASIA HOUSE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

2. INCOMING RESOURCES

	Charitable	Trading	2016	Charitable	Trading	2015
	£'000	£'000	£'000	£'000	£'000	£'000
Donations	153	-	153	257	-	257
Cultural Events	14	-	14	17	-	17
Friends and patrons	11	-	11	14	-	14
Corporate	-	561	561	-	445	445
Grants	67	-	67	67	-	67
Sponsorship	37	49	86	29	49	78
Secretariat Fees	-	-	-	-	6	6
Other Income	264	674	938	581	583	1,164
	546	1,284	1,830	965	1,083	2,048

3. RESULTS OF TRADING SUBSIDIARY

Asia House has two wholly owned trading subsidiaries which are incorporated in England and Wales.

Asia House Enterprises Limited	2016	2015
	£'000	£'000
Income	1,284	1,083
Expenditure	(566)	(583)
Operating Profit before Gift Aid	718	500
Amount payable to Asia House under Gift Aid	(718)	(500)
Result for the year	-	-

The principal activity of Asia House Enterprises Limited (Company number: 3242229) is the operation of a corporate membership programme for Asia House and the commercial letting of its function rooms. The Company covenants its profits to Asia House under gift aid. Sixty Three New Cavendish Limited did not trade during the year or the prior year.

4. ANALYSIS OF RESOURCES EXPENDED

	Direct Costs	Support Costs	2016	Direct Costs	Support Costs	2015
	£'000	£'000	£'000	£'000	£'000	£'000
Fundraising	133	39	172	98	37	135
Venue Hire & Business & Policy	566	668	1,234	582	616	1,198
Cultural Programme	221	170	391	198	167	365
Total	920	877	1,797	878	820	1,698

ASIA HOUSE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

Analysis of Support Costs of Charitable Activities:

	Basis of Allocation	2016 £'000	2015 £'000
Staff Costs	CEO, Finance & Digital staff	524	434
Office Running Costs	Divisional headcount	257	220
Legal & Professional Fees	Case by case	20	9
Governance	Time spent	12	12
Other	Divisional headcount	-	68
Depreciation & Amortisation	Area	64	77
		<u>877</u>	<u>820</u>

5. NET MOVEMENT IN FUNDS

	2016 £'000	2015 £'000
This is stated after charging:		
Auditor's remuneration	10	10
Auditors in respect of non- audit services	2	2
Depreciation	57	69
Amortisation	7	6
Board Expenses	1	1

6. STAFF COSTS AND NUMBERS - CHARITY AND GROUP

	2016 £'000	2015 £'000
Staff costs during the year were:		
Salaries & wages	837	777
Social security costs	94	80
Pension costs	13	10
	<u>944</u>	<u>867</u>
Consultants & Temporary Staff	20	13
Other Staff Costs	34	30
	<u>998</u>	<u>910</u>

The key management personnel of the group comprise those of the Charity and the key Management personnel of its wholly owned subsidiary Asia House Enterprises Ltd. The key management personnel are the Chief Executive, Director of Business and Policy, Head of Arts and Learning, Head of Finance, Head of Operations, and Digital Editor. Remuneration and benefits of key management personnel for the group were £481,412 (2015: £419,203).

Number of employees whose emoluments exceeded £60,000:

	2016	2015
£60,000-£70,000	-	1
£150,000 - £160,000	-	1
£200,000-£250,000	<u>1</u>	<u>-</u>

Employers pension contributions in respect of the above employees were £4,156 (2015: £2,817)

The average number of employees during the year was 22 (2015: 22)

ASIA HOUSE**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 DECEMBER 2016****7. TRUSTEES' REMUNERATION AND REIMBURSED EXPENSES**

The charity trustees were not paid or received any other benefits from employment with the Trust or its subsidiary in the year (2015: £nil). They were reimbursed £nil expenses during the year (2015: £nil). No charity trustee received payment for professional or other services to the charity (2015: nil).

8. TANGIBLE FIXED ASSETS – GROUP & CHARITY

	Leasehold Property £'000	Office Equipment £'000	Total £'000
COST			
At 1 January 2016	5,677	92	5,769
Additions	-	21	21
Revaluation	5,744	-	5,744
Disposals	(1,421)	(4)	(1,425)
At 31 December 2016	10,000	109	10,109
DEPRECIATION			
At 1 January 2016	514	47	561
Charge for the year	34	23	57
Eliminated	(136)	(4)	(140)
Transfer to revaluation reserve	(378)	-	(378)
At 31 December 2016	34	66	100
NET BOOK VALUE			
At 31 December 2016	9,966	43	10,009
At 31 December 2015	5,163	45	5,208

As at 31st December 2016 the Leasehold Property was valued with existing use at £10m by Savills.

Leasehold property included in the balance sheet at open market value as permitted by regulations made under the Companies Act 2006 and in accordance with financial reporting standard 15 accounting for fixed assets.

The gain on the sale of the property was £2.06 million. This is included on the Consolidated Statement of Financial Activities.

ASIA HOUSE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

9. INTANGIBLE ASSETS

	Database	Website	Total
	£'000	£'000	£'000
COST			
At 1 January 2016	13	15	28
Additions	10	-	10
Disposals	(3)	(4)	(7)
At 31 December 2016	20	11	31
AMORTISATION			
At 1 January 2016	5	4	9
Charge for the year	4	3	7
Eliminated	-	(2)	(2)
At 31 December 2016	9	5	14
NET BOOK VALUE			
At 31 December 2016	11	6	17
At 31 December 2015	8	10	18

10. INVESTMENTS

	2016	2015
	£	£
Investment in subsidiary undertakings:		
Asia House Enterprises Limited	2	2
Sixty Three New Cavendish Limited	1	1
	3	3

Asia House owns all of the issued share capital of Asia House Enterprises Limited and Sixty Three New Cavendish Limited. The reserves of both subsidiaries at 31 December 2016 were £nil (2015: £nil).

11. DEBTORS

	Group		Charity	
	2016	2015	2016	2015
	£'000	£'000	£'000	£'000
Trade debtors	290	211	99	60
Prepayments and accrued income	38	49	38	49
Amount due from subsidiary	-	-	718	515
	328	260	855	624

Included in trade debtors for the charity and group is £50,000 (2015: £nil) relating to debtors due in more than 1 year.

ASIA HOUSE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

12. CREDITORS

	Group		Charity	
	2016	2015	2016	2015
	£'000	£'000	£'000	£'000
Amounts falling due within one year:				
Deferred income (note 13)	250	266	190	221
Trade creditors and accruals	287	102	710	74
Redundancy accrual	13	-	13	-
Loan	-	255	-	255
Other taxes and social security	625	83	625	83
	<u>1,175</u>	<u>706</u>	<u>1,538</u>	<u>633</u>
Amounts falling due after More than one year:				
Bank loans repayable:				
Within 1 to 2 years	-	-	-	-
Over 5 years	4,280	4,280	4,280	4,280
	<u>4,280</u>	<u>4,280</u>	<u>4,280</u>	<u>4,280</u>

The Bank loans total of £4,280,000 (2015: £4,535,000) are public benefit entity concessionary loans as the interest is below the prevailing market rate, they are not repayable on demand and they were given to the charity to help further the purposes of its objects.

13. DEFERRED INCOME

	Group		Charity	
	2016	2015	2016	2015
	£'000	£'000	£'000	£'000
Deferred income brought forward	266	231	221	203
Transferred to deferred income	(266)	(231)	(221)	(203)
Deferred income in year	250	266	190	221
	<u>250</u>	<u>266</u>	<u>190</u>	<u>221</u>

ASIA HOUSE

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FOR THE YEAR ENDED 31 DECEMBER 2016

14. RESTRICTED FUNDS

The funds of the Charity include restricted funds comprising the following unexpended balances of donations held on trust to be applied for specific purposes:

Studio Garden – this donation was to finance the creation of a garden outside the refurbished studio.

	At 1/1/2016 £'000	Incoming Resources £'000	Resources Expended £'000	At 31/12/2016 £'000
Pan Asian Women's Assoc.	13	-	(13)	-
Studio Garden	10	-	-	10
	<u>23</u>	<u>-</u>	<u>(13)</u>	<u>10</u>

	At 1/1/2015 £'000	Incoming Resources £'000	Resources Expended £'000	At 31/12/2015 £'000
Pan Asian Women's Assoc.	14	-	(1)	13
Studio Garden	10	-	-	10
	<u>24</u>	<u>-</u>	<u>(1)</u>	<u>23</u>

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Fund £'000	Restricted Fund £'000	Revaluation Reserve £'000	Total At 31/12/2016 £'000
Fund balances at 31 December 2016 are represented by:				
Fixed Assets	3,903	-	6,123	10,026
Current Assets	4,683	10	-	4,693
Debtors : due after one year	50	-	-	50
Creditors: due within one	(1,175)	-	-	(1,175)
Creditors: due after one	(4,280)	-	-	(4,280)
Total net assets	<u>3,181</u>	<u>10</u>	<u>6,123</u>	<u>9,314</u>

	Unrestricted Fund £'000	Restricted Fund £'000	Revaluation Reserve £'000	Total At 31/12/2015 £'000
Fund balances at 31 December 2015 are represented by:				
Fixed Assets	5,226	-	-	5,226
Current Assets	827	23	-	850
Creditors: due within one	(706)	-	-	(706)
Creditors: due after one	(4,280)	-	-	(4,280)
Total net assets	<u>1,067</u>	<u>23</u>	<u>-</u>	<u>1,090</u>

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16. TAXATION

Asia House is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

17. LIABILITY OF MEMBERS

Asia House is constituted as a company limited by guarantee. In the event of the charity being wound up members are required to contribute an amount not exceeding £1. At year end date the charity had 1 member (2015:1)

18. OPERATING LEASES

At 31 December 2016 the charity had annual commitments under non-cancellable operating leases for plant and equipment as set out below:

	2016	2015
	£'000	£'000
Within one year	9	5
Within 2-5 years	18	5
Total	<u>27</u>	<u>10</u>

19. RELATED PARTY TRANSACTIONS

The following amounts were received in donations, sponsorship, or other commercial transactions from Trustees' related parties:

	2016	2015
	£'000	£'000
Prudential (Miles Celic)	-	142
Standard Chartered (Richard Holmes)	-	72
HSBC (Charles Haswell)	-	124
Balli Group (Vahid Alaghband)	27	84
Harvey Nash (Albert Ellis)	23	23
Bagri Foundation (The Honourable Apurv Bagri)	33	39
Dalip Pathak	-	6
Mckinsey & Co (Martin Dewhurst)	38	56
	<u>121</u>	<u>546</u>

20. RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	Group		Charity	
	2016	2015	2016	2015
	£'000	£'000	£'000	£'000
Net incoming/(outgoing) resources	2,101	350	2,101	350
Depreciation charges	57	69	57	69
Amortisation charges	7	6	7	6
Profit on sale of fixed assets	(2,823)	-	(2,823)	-
Decrease/(increase) in stock	-	(1)	-	-
Decrease/(increase) debtors	(69)	71	(232)	(110)
Increase/(decrease) in creditors	725	(164)	1,161	(205)
Net cash generated for operating activities	(2)	331	271	110

21. FINANCIAL INSTRUMENTS**Other financial instruments****a. Cash and cash equivalents**

Cash and cash equivalents include cash at banks and in hand and short term deposits with a maturity date of three months or less.

b. Debtors and creditors

Debtors and creditors receivable or payable within one year of the reporting date are carried at their transaction price. Debtors and creditors that are receivable or payable in more than one year and not subject to a market rate of interest are measured at the present value of the expected future receipts or payment discounted at a market rate of interest.