

Registered number: 08986653

**BRITISH EAST ASIAN COUNCIL  
UNAUDITED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 MAY 2019**



# **BRITISH EAST ASIAN COUNCIL**

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# **BRITISH EAST ASIAN COUNCIL**

## **COMPANY INFORMATION**

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<b>Director</b>	R Dennis CBE
<b>Registered number</b>	08986653
<b>Registered office</b>	16 Great Queen Street Covent Garden London WC2B 5AH
<b>Accountants</b>	Blick Rothenberg Limited Chartered Accountants 16 Great Queen Street Covent Garden London WC2B 5AH

**BRITISH EAST ASIAN COUNCIL****BALANCE SHEET  
AS AT 31 MAY 2019**

	Note	31 May 2019 £	30 April 2018 £
<b>Fixed assets</b>			
Tangible assets	4	195,132	336,834
<b>Current assets</b>			
Debtors: amounts falling due after more than one year	6	-	274,622
Debtors: amounts falling due within one year	6	310,379	76,173
Cash at bank and in hand		30,330	10,982
		<u>340,709</u>	<u>361,777</u>
Creditors: amounts falling due within one year	7	(883,064)	(880,488)
<b>Net current liabilities</b>		<u>(542,355)</u>	<u>(518,711)</u>
<b>Total assets less current liabilities</b>		<u>(347,223)</u>	<u>(181,877)</u>
Creditors: amounts falling due after more than one year	8	(1,171,232)	(849,295)
<b>Net liabilities</b>		<u><u>(1,518,455)</u></u>	<u><u>(1,031,172)</u></u>

**BRITISH EAST ASIAN COUNCIL****BALANCE SHEET (CONTINUED)  
AS AT 31 MAY 2019**

	Note	31 May 2019 £	30 April 2018 £
<b>Capital and reserves</b>			
Other reserves		253,768	173,590
Profit and loss account		(1,772,223)	(1,204,762)
<b>Total equity</b>		<b>(1,518,455)</b>	<b>(1,031,172)</b>

The director considers that the company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the company to obtain an audit for the period in question in accordance with section 476 of Companies Act 2006.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime within Part 15 of the Companies Act 2006 and in accordance with Section 1A of Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies' regime. The profit and loss account and the director's report have not been filed.

The financial statements were approved, authorised and signed by the sole director.

  
R Dennis CBE  
Director

Date: 10/02/2020

The notes on pages 5 to 11 form part of these financial statements.

**BRITISH EAST ASIAN COUNCIL**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD ENDED 31 MAY 2019**

	Other reserves £	Profit and loss account £	Total equity £
<b>At 1 May 2017</b>	<b>158,240</b>	<b>(947,305)</b>	<b>(789,065)</b>
Loss for the financial year	-	(273,473)	(273,473)
Unwinding of capital contribution	(16,016)	16,016	-
Capital contribution	31,366	-	31,366
<b>At 30 April 2018 and 1 May 2018</b>	<b>173,590</b>	<b>(1,204,762)</b>	<b>(1,031,172)</b>
Loss for the financial period	-	(588,264)	(588,264)
Unwinding of capital contribution	(20,803)	20,803	-
Capital contribution	100,981	-	100,981
<b>At 31 May 2019</b>	<b>253,768</b>	<b>(1,772,223)</b>	<b>(1,518,455)</b>

# **BRITISH EAST ASIAN COUNCIL**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MAY 2019**

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### **1. General information**

British East Asian Council is a private company limited by guarantee registered in England and Wales. Its principal place of business is 2nd floor, 6 Grosvenor Street, Mayfair, London, W1K 4PZ.

These financial statements have been prepared for a 13-month period from 1 May 2018 to 31 May 2019 to align the year end with related party companies. The comparative figures are for the year ended 30 April 2018.

The financial statements are presented in Sterling (£).

### **2. Accounting policies**

#### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland ("FRS 102") and the Companies Act 2006.

The following principal accounting policies have been applied:

#### **2.2 Going concern**

At 31 May 2019, the company had net liabilities of £1,518,455. The company continues to trade with the support of its member who has confirmed that such support will be forthcoming for the foreseeable future, being a period of not less than twelve months from the date that these financial statements are approved. Consequently, the going concern basis remains appropriate.

#### **2.3 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Short term leasehold improvements	- 20%
Fixtures and fittings	- 20%
Computer equipment	- 33%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the profit and loss account.

# **BRITISH EAST ASIAN COUNCIL**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MAY 2019**

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### **2. Accounting policies (continued)**

#### **2.4 Financial instruments**

The company has elected to apply Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets and financial liabilities are recognised when the company becomes party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

The company's policies for its major classes of financial assets and financial liabilities are set out below.

##### **Financial assets**

Basic financial assets, including other debtors, cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

Such assets are subsequently carried at amortised cost using the effective interest method, less any impairment.

##### **Financial liabilities**

Basic financial liabilities, including other creditors, bank and other loans, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.



**BRITISH EAST ASIAN COUNCIL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 MAY 2019**

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**2. Accounting policies (continued)**

**Financial instruments (continued)**

**Impairment of financial assets**

Financial assets measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the profit and loss account.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between the asset's carrying amount and the best estimate of the amount the company would receive for the asset if it were to be sold at the reporting date.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If the financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

**Derecognition of financial assets and financial liabilities**

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

**Offsetting of financial assets and financial liabilities**

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**2.5 Operating leases**

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

# BRITISH EAST ASIAN COUNCIL

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MAY 2019

### 2. Accounting policies (continued)

#### 2.6 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

#### 2.7 Finance costs

Finance costs are charged to the profit and loss account over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

### 3. Employees

The average monthly number of employees, including the director, during the period was 1 (2018 - 1).

### 4. Tangible fixed assets

	Short term leasehold improvements £	Fixtures and fittings £	Computer equipment £	Total £
<b>Cost</b>				
At 1 May 2018	374,100	140,522	92,890	607,512
At 31 May 2019	374,100	140,522	92,890	607,512
<b>Depreciation</b>				
At 1 May 2018	151,444	56,545	62,689	270,678
Charge for the period	81,055	30,446	30,201	141,702
At 31 May 2019	232,499	86,991	92,890	412,380
<b>Net book value</b>				
At 31 May 2019	141,601	53,531	-	195,132
At 30 April 2018	222,656	83,977	30,201	336,834

# BRITISH EAST ASIAN COUNCIL

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MAY 2019

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### 5. Taxation

The company is a not for profit entity and as such is not liable to corporation tax.

### 6. Debtors

	31 May 2019 £	30 April 2018 £
<b>Due after more than one year</b>		
Other debtors	-	274,622
	<hr/>	<hr/>
	31 May 2019 £	30 April 2018 £
<b>Due within one year</b>		
Other debtors	291,518	33,407
Prepayments and accrued income	18,861	42,766
	<hr/>	<hr/>
	310,379	76,173
	<hr/>	<hr/>

### 7. Creditors: amounts falling due within one year

	31 May 2019 £	30 April 2018 £
Bank loans	850,000	850,000
Other creditors	20,978	22,885
Accruals	12,086	7,603
	<hr/>	<hr/>
	883,064	880,488
	<hr/>	<hr/>

The bank loan is unsecured and bears interest at bank base rate plus 0.6%.

# BRITISH EAST ASIAN COUNCIL

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MAY 2019

### 8. Creditors: amounts falling due after more than one year

	31 May 2019 £	30 April 2018 £
Other loans	1,171,232	826,410
Other creditors	-	22,885
	<u>1,171,232</u>	<u>849,295</u>

The other loans are unsecured, interest free and due for repayment on demand of the lender where the borrower has the funds available to do so.

### 9. Loans

Analysis of the maturity of loans is given below:

	31 May 2019 £	30 April 2018 £
<b>Amounts falling due within one year</b>		
Bank loans	850,000	850,000
<b>Amounts falling due 1-2 years</b>		
Other loans	1,171,232	826,410
	<u>2,021,232</u>	<u>1,676,410</u>

### 10. Company status

The company is a private company limited by guarantee and consequently does not have a share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation in the period they are a member or within twelve months of ceasing to be a member.

# BRITISH EAST ASIAN COUNCIL

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MAY 2019

### 11. Commitments under operating leases

At 31 May 2019 the company had future minimum lease payments under non-cancellable operating leases as follows:

	31 May 2019 £	30 April 2018 £
Not later than 1 year	228,852	228,852
Later than 1 year and not later than 5 years	-	228,852
	<u>228,852</u>	<u>457,704</u>

### 12. Related party transactions

Transactions with related parties are as follows:

Relationship	Transaction	Amount		Amount due (to)/from related parties	
		2019 £	2018 £	2019 £	2018 £
Companies under common control	Loan	(425,000)	(150,000)	(1,425,000)	(1,000,000)
	Rent receivable	-	300,000	-	-

Amounts owed to related parties are unsecured, interest free and due for repayment on demand of the lender where the borrower has the funds available to do so.