

Registered number: SC335413
Charity number: SC023606

EDINBURGH CHINESE SCHOOL
(A company limited by guarantee)

UNAUDITED
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

TUESDAY



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COMPANIES HOUSE

EDINBURGH CHINESE SCHOOL
(A company limited by guarantee)

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EDINBURGH CHINESE SCHOOL
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 30 JUNE 2016**

Trustees

Dr Wayne Lam, Chairman
Ms Wai Lee
Mrs Sue Song
Ms Geqian Cui, Treasurer
Ms Sharon Li
Mr Brian W K Tong, Secretary (appointed 27 September 2015)
Mr James Chow (appointed 7 November 2015)
Mr Stefan Kaempf (resigned 22 September 2016)

Company registered number

SC335413

Charity registered number

SC023606

Registered office

C/o, Flat 6/4 Myreside Court,
Edinburgh
EH10 5LX

Company secretary

Mr Brian W K Tong

Accountants

French Duncan LLP
Chartered Accountants
56 Palmerston Place
Edinburgh
EH12 5AY

EDINBURGH CHINESE SCHOOL
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 30 JUNE 2016

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the financial statements of Edinburgh Chinese School (the company) for the year ended 30 June 2016.

The company information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association of the company and the Statement of Recommended Practice for Smaller Entities (effective 1 January 2015).

Since the company qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The company, which is a recognised charity in Scotland, is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 18 December 2007.

Method of Appointment or Election of Trustees

The management of the company is the responsibility of the Trustees who are elected and co opted under the terms of the Articles of Association.

Policies Adopted for the Induction and Training of Trustees

Should any new trustees be appointed they will be given whatever training they require and be provided with a full brief of the work and history of the charity.

Organisational Structure and Decision Making

The Trustees are legally responsible for the overall governance, strategy, and direction of the charity. Trustees meet on a regular basis, however, day to day management of the charity is delegated to the School's Head Teacher Mrs Kim Wong.

Risk Management

The Trustees have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

EDINBURGH CHINESE SCHOOL
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 JUNE 2016

OBJECTIVES

The principal objectives of the charity are :

1. to offer anyone an opportunity to learn Chinese languages (Cantonese and Mandarin) and culture
2. to promote racial harmony through language teaching and other educational activities
3. to raise awareness and mutual understanding among different races and cultures in society

The charity runs a school based at Drummond Community High School in Edinburgh which offers individuals the opportunity to aim for GCSE and GCE Level qualifications in Cantonese and Mandarin. The charity also runs various clubs and extra curricular activities to help promote Chinese culture.

GOING CONCERN

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

REVIEW OF THE YEAR

Cultural Activities and Projects

All school activities were carried out according to the scheduled calendar. Apart from providing Mandarin and Cantonese lessons to school children and adults, the school has organised and participated in a wide range of cultural activities and events.

Teachers arranged some fun activities in their classes for the Mid-Autumn Festival. Our Chinese New Year celebration was attended by nearly 160 people with guests including convenor of the UKAPCE Scotland, Community Programme manager of Drummond Community High School, representatives of Edinburgh Chinese Choir and former school adviser, etc. There were performances from our students, students of Edinburgh University and Edinburgh Malaysian Student Association performed the Lion Dance. Parents were enthusiastically involved in fund raising activities.

Internal Reading Competitions was held to develop students' confidence in reading Chinese. Externally we participated in the reading and writing competitions held by UKAPCE (UK Association for the Promotion of Chinese Education) and UKFCS (UK Federation of Chinese Schools). Our students performed very well in both competitions winning several awards. Our directors, teachers and students worked as judges and volunteers in the UKAPCE Reading Competition in the last 2 years.

One of our students performed violin in an ensemble for Chinese New Year celebration at City Chamber. Several students have participated in an 8-day Chinese Culture Camp organized by UKAPCE during Easter holidays. Some students, teachers and parents have taken part in parade in the Carnival of Edinburgh Jazz & Blue Festival to promote Chinese culture.

The board has upgraded the school website and continues to maintain its content. We have also switched completely to our on-line school registry. The board has also engaged with the University of Edinburgh to improve the quality of volunteer intake by involving students from China reading MSc in Education.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 JUNE 2016

FINANCIAL REVIEW

Reserves Policy

The charity maintains unrestricted funds not committed for a specific use at a level equivalent to approximately twelve months of annual expenditure.

The total reserves for the 12 month period to 30 June 2016 were £13,979 (Restricted Funds £17 and Unrestricted Funds £13,962).

The total reserves for the previous 12 month period to 30 June 2015 were £12,238 (Restricted Funds £103 and Unrestricted Funds £12,135).

Results for the year

The review compares the finances for the 12 month period to 30 June 2015 and the 12 month period to 30 June 2016.

The accounting policies under which the financial statements have been prepared are detailed on page 10.

The charity's 'unrestricted' charitable activities for the 12 month period to 30 June 2016 resulted in a surplus of £1,827 compared with a surplus of £2,081, for the previous 12 month period to 30 June 2015.

Overall, the charity spent £12,052 (2015 - £11,474) on its core activities.

FUTURE DEVELOPMENTS

The Board is continuously working with teachers to improve the quality of teaching and learning.

1. Encouraging and providing funding for teachers to attend external training courses
2. Reviewing the class diary format to monitor the teaching content and classroom activities
3. Recruiting supply teachers if required
4. Continuing to recruit volunteers as classroom and school assistants
5. Actively participating in UK wide cultural and Chinese languages activities
6. Developing the Mandarin and Cantonese adult classes
7. Improving communication with parents and encouraging parents' involvement in a flexible manner
8. Developing extra-curriculum activities for students

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 JUNE 2016

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees (who are also directors of Edinburgh Chinese School 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).

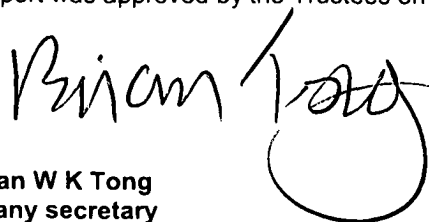
Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Trustees on 11/03/2017 and signed on their behalf by:



Mr Brian W K Tong
Company secretary

EDINBURGH CHINESE SCHOOL
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INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 30 JUNE 2016

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF EDINBURGH CHINESE SCHOOL

I report on the financial statements of the company for the year ended 30 June 2016 which are set out on pages 8 to 14.

This report is made solely to the company's Trustees, as a body, in accordance with regulation 11 of the Charities Accounts (Scotland) Regulations 2006. My work has been undertaken so that I might state to the company's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company and the company's Trustees as a body, for my work or for this report.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND EXAMINER

The Trustees, who are also the directors of the company for the purposes of company law, are responsible for the preparation of the financial statements in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 (the Act) and the Charities Accounts (Scotland) Regulations 2006 (the Accounts Regulations). The Trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the financial statements as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

BASIS OF INDEPENDENT EXAMINER'S REPORT

My examination was carried out in accordance with regulation 11 of the Accounts Regulations. An examination includes a review of the accounting records kept by the company and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

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INDEPENDENT EXAMINER'S REPORT (continued)
FOR THE YEAR ENDED 30 JUNE 2016

INDEPENDENT EXAMINER'S STATEMENT

In the course of my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
- to keep accounting records in accordance with Section 44(1) (a) of the 2005 Act and regulation 4 of the Accounts Regulations; and
 - to prepare financial statements which accord with the accounting records and comply with regulation 8 of the Accounts Regulations
- have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Signed:



Dated:

17/03/2017

Antony Sinclair CA

French Duncan LLP
Chartered Accountants
56 Palmerston Place
Edinburgh
EH12 5AY

EDINBURGH CHINESE SCHOOL
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2016**

	Note	Restricted funds 2016 £	Unrestricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
INCOME FROM:					
Donations and legacies	2	-	400	400	323
Charitable activities	3	-	14,653	14,653	14,639
TOTAL INCOME		-	15,053	15,053	14,962
EXPENDITURE ON:					
Charitable activities	4,5,6	86	13,226	13,312	12,914
TOTAL EXPENDITURE		86	13,226	13,312	12,914
NET INCOME / (EXPENDITURE) AND MOVEMENT IN FUNDS		(86)	1,827	1,741	2,048
RECONCILIATION OF FUNDS:					
Total funds brought forward		103	12,135	12,238	10,190
TOTAL FUNDS CARRIED FORWARD		17	13,962	13,979	12,238

The notes on pages 10 to 14 form part of these financial statements.

EDINBURGH CHINESE SCHOOL
(A company limited by guarantee)
REGISTERED NUMBER: SC335413

BALANCE SHEET
AS AT 30 JUNE 2016

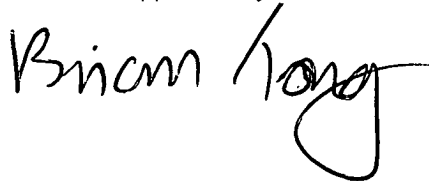
	Note	£	2016 £	£	2015 £
CURRENT ASSETS					
Debtors	8	200		194	
Cash at bank and in hand		22,298		22,358	
		<u>22,498</u>		<u>22,552</u>	
CREDITORS: amounts falling due within one year					
	9	(8,519)		(10,314)	
NET CURRENT ASSETS			<u>13,979</u>		<u>12,238</u>
NET ASSETS			<u>13,979</u>		<u>12,238</u>
CHARITY FUNDS					
Restricted funds	10		17		103
Unrestricted funds	10		13,962		12,135
TOTAL FUNDS			<u>13,979</u>		<u>12,238</u>

The Trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act.

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved by the Trustees on 11/03/2017 and signed on their behalf, by:



Mr Brian W K Tong

The notes on pages 10 to 14 form part of these financial statements.

EDINBURGH CHINESE SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities published on 16 July 2014, the Financial Reporting Standard for Smaller Entities (effective January 2015) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Company status

The company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

1.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.4 Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity.

All resources expended are inclusive of irrecoverable VAT.

1.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the Bank.

EDINBURGH CHINESE SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

1. ACCOUNTING POLICIES (continued)

1.7 Debtors

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

1.8 Cash at Bank and in hand

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

1.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation.

1.10 Financial instruments

The company only has basic financial assets and liabilities. These are recognised at the amount payable or receivable.

2. INCOME FROM DONATIONS AND LEGACIES

	Restricted funds 2016 £	Unrestricted funds 2016 £	Total funds 2016 £	<i>Total funds 2015 £</i>
Donations	-	400	400	323

In 2015, the total income from donations and legacies related to £323 of unrestricted funds.

3. INCOME FROM CHARITABLE ACTIVITIES

	Restricted funds 2016 £	Unrestricted funds 2016 £	Total funds 2016 £	<i>Total funds 2015 £</i>
Chinese School	-	14,154	14,154	14,265
Chinese New Year	-	499	499	374
	-	14,653	14,653	14,639

In 2015, the total income from charitable activities related to £14,639 of unrestricted funds.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

4. EXPENDITURE BY CHARITABLE ACTIVITY

	Restricted funds 2016 £	Unrestricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Direct costs (note 5)	86	11,966	12,052	11,474
Governance Costs (note 6)	-	1,260	1,260	1,440
Total	86	13,226	13,312	12,914

In 2015, the total expenditure on charitable activities, related to £12,881 of unrestricted funds and £33 of restricted funds. The charitable activities of the charity are detailed in the trustees' report.

5. DIRECT COSTS

	Chinese School £	Total 2016 £	Total 2015 £
Teachers' fees	2,380	2,380	1,800
Teaching materials, books and training	4,276	4,276	3,849
Other costs	5,396	5,396	5,825
	12,052	12,052	11,474

6. GOVERNANCE COSTS

	Restricted funds 2016 £	Unrestricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Independent Examiners Fee	-	1,260	1,260	1,440

7. NET INCOMING RESOURCES/(RESOURCES EXPENDED)

During the year, no Trustees received any remuneration (2015 - £NIL).
During the year, no Trustees received any benefits in kind (2015 - £NIL).
During the year, no Trustees received any reimbursement of expenses (2015 - £NIL).

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

8. DEBTORS

	2016 £	2015 £
Prepayments and accrued income	200	194

9. CREDITORS: Amounts falling due within one year

	2016 £	2015 £
Accruals and deferred income	8,519	10,314

Included within accruals and deferred income are school fees totalling £6,470 (2015 - £8,128) received in advance for the following school year.

10. STATEMENT OF FUNDS

	Brought Forward £	Income £	Expenditure £	Carried Forward £
Unrestricted funds				
General Funds	12,135	15,053	(13,226)	13,962
Restricted funds				
Scottish Community Foundation	103	-	(86)	17
Total of funds	12,238	15,053	(13,312)	13,979

SUMMARY OF FUNDS

	Brought Forward £	Income £	Expenditure £	Carried Forward £
General funds	12,135	15,053	(13,226)	13,962
Restricted funds	103	-	(86)	17
	12,238	15,053	(13,312)	13,979

Scottish Community Foundation

These funds were donated to cover the cost of running a 'healthy living during recession' project for mothers to learn and share tips to eat healthily under financial pressure.

EDINBURGH CHINESE SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted funds 2016 £	Unrestricted funds 2016 £	Total funds 2016 £	<i>Total funds 2015 £</i>
Current assets	17	22,481	22,498	22,552
Creditors due within one year	-	(8,519)	(8,519)	(10,314)
	<u>17</u>	<u>13,962</u>	<u>13,979</u>	<u>12,238</u>

12. CONTROLLING PARTY

There was no ultimate controlling party throughout the current and prior year.