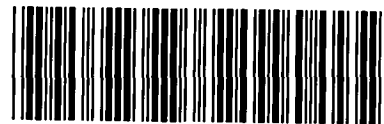


Registered number: SC335413
Charity number: SC023606

EDINBURGH CHINESE SCHOOL
(A company limited by guarantee)

UNAUDITED
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

TUESDAY



S71M79HD

SCT

13/03/2018

#41

COMPANIES HOUSE

EDINBURGH CHINESE SCHOOL
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details of the charity, its trustees and advisers	1
Trustees' report	2 - 5
Independent examiner's report	6 - 7
Statement of financial activities	8
Balance sheet	9
Notes to the financial statements	10 - 16

EDINBURGH CHINESE SCHOOL
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 30 JUNE 2017**

Trustees

Dr Wayne Lam, Chairman (resigned 14 September 2017)
Ms Wai Lee
Mrs Sue Song, Chairperson (appointed 4 November 2017)
Ms Geqian Cui, Treasurer
Ms Sharon Li
Mr Brian W K Tong, Secretary
Mr James Chow
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 2017

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 2017.

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 provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) as amended by Update Bulletin 1.

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
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 JUNE 2017

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 organised and participated in a wide range of cultural activities and events.

Teachers arranged some fun activities and mooncakes tasting in their classes for the Mid-Autumn Festival. The school and RNIB worked together to organise a one-day "Eye Protection" workshop for our students with assistance of school volunteers. Our Chinese New Year celebration was attended by 150 people. 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 were 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.

The board has upgraded the school website and continues to maintain its content. The board has also engaged with the University of Edinburgh to improve the quality of volunteer intake by involving students from China studying MSc in Education.

The Board successfully recruited the Head teacher with an excellent CV and teaching experience in June.

EDINBURGH CHINESE SCHOOL
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 JUNE 2017

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 2017 were £14,292 (Restricted Funds £Nil and Unrestricted Funds £14,292).

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

Results for the year

The review compares the finances for the 12 month period to 30 June 2017 and the 12 month period to 30 June 2016.

The accounting policies under which the financial statements have been prepared are detailed on pages 10 and 11.

The charity's 'unrestricted' charitable activities for the 12 month period to 30 June 2017 resulted in a surplus of £330 compared with a surplus of £1,827 for the previous 12 month period to 30 June 2016.

Overall, the charity spent £10,671 (2016 - £12,052) on its core activities.

FUTURE DEVELOPMENTS

The School Board, school adviser and Headteacher will be working closely 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
9. Planning to enter SQA National 5, Higher and Advanced Higher Chinese examinations for the best interest of our students.

EDINBURGH CHINESE SCHOOL
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 JUNE 2017

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 26/02/2018 and signed on their behalf by:



Mr Brian W K Tong
Company secretary

EDINBURGH CHINESE SCHOOL
(A company limited by guarantee)

INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 30 JUNE 2017

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 2017 which are set out on pages 8 to 16.

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.

EDINBURGH CHINESE SCHOOL
(A company limited by guarantee)

INDEPENDENT EXAMINER'S REPORT (continued)
FOR THE YEAR ENDED 30 JUNE 2017

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, Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard in the UK and Republic of Ireland (FRS 102) and in other respects 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:

09/03/2018

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 2017**

	Note	Restricted funds 2017 £	Unrestricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
INCOME FROM:					
Donations and legacies	2	-	700	700	400
Charitable activities	3	-	11,754	11,754	14,653
Other income		-	300	300	-
TOTAL INCOME		-	12,754	12,754	15,053
EXPENDITURE ON:					
Charitable activities	4	17	12,424	12,441	13,312
TOTAL EXPENDITURE		17	12,424	12,441	13,312
NET MOVEMENT IN FUNDS		(17)	330	313	1,741
RECONCILIATION OF FUNDS:					
Total funds brought forward		17	13,962	13,979	12,238
TOTAL FUNDS CARRIED FORWARD		-	14,292	14,292	13,979

The notes on pages 10 to 16 form part of these financial statements.

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

BALANCE SHEET
AS AT 30 JUNE 2017

	Note	£	2017 £	£	2016 £
CURRENT ASSETS					
Debtors	8	202		200	
Cash at bank and in hand		21,894		22,298	
		<u>22,096</u>		<u>22,498</u>	
CREDITORS: amounts falling due within one year					
	9	(7,804)		(8,519)	
NET CURRENT ASSETS			<u>14,292</u>		<u>13,979</u>
NET ASSETS			<u>14,292</u>		<u>13,979</u>
CHARITY FUNDS					
Restricted funds	10	-			17
Unrestricted funds	10	14,292			13,962
TOTAL FUNDS			<u>14,292</u>		<u>13,979</u>

The company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

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 April 2008).

The financial statements were approved and authorised for issue by the Trustees on 26/02/2018 and signed on their behalf, by:


Mr Brian W K Tong

The notes on pages 10 to 16 form part of these financial statements.

EDINBURGH CHINESE SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

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 applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Edinburgh Chinese School meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Reconciliation with previous Generally Accepted Accounting Practice

The charity transitioned to FRS 102 on 1 July 2015. The impact of this transition is on the disclosure in the financial statements, there was no impact or change to the charity's accounting policies or reported financial position.

1.3 Company status

The charity is a company limited by guarantee and the registered office is C/o Flat 6/4 Myreside Court, Edinburgh, EH10 5LX. The members of the company are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

1.4 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.

1.5 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.

EDINBURGH CHINESE SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

1. ACCOUNTING POLICIES (continued)

1.6 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 expenditure is inclusive of irrecoverable VAT.

1.7 Cash flow

The charity has taken advantage of the exemption under section 1A of Financial Reporting Standard 102 from the requirement to produce a cash flow statement on the grounds that it is a small charity.

1.8 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.

1.9 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.

1.10 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.

1.11 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.

1.12 Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

EDINBURGH CHINESE SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

2. INCOME FROM DONATIONS AND LEGACIES

	Restricted funds 2017 £	Unrestricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Donations	-	700	700	400
<i>Total 2016</i>	-	400	400	

3. INCOME FROM CHARITABLE ACTIVITIES

	Restricted funds 2017 £	Unrestricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Chinese School	-	11,487	11,487	14,154
Chinese New Year	-	267	267	499
	-	11,754	11,754	14,653
<i>Total 2016</i>	-	14,653	14,653	

4. EXPENDITURE BY CHARITABLE ACTIVITY

	Restricted funds 2017 £	Unrestricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Direct costs (note 5)	17	10,654	10,671	12,052
Governance Costs (note 6)	-	1,770	1,770	1,260
Total	17	12,424	12,441	13,312

In 2016, the total expenditure on charitable activities, related to £13,226 of unrestricted funds and £86 of restricted funds. The charitable activities of the charity are detailed in the trustees' report.

EDINBURGH CHINESE SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

5. DIRECT COSTS

	Chinese School £	Total 2017 £	Total 2016 £
Teachers' fees	2,730	2,730	2,380
Teaching materials, books and training	2,319	2,319	4,276
Other costs	5,622	5,622	5,396
	<u>10,671</u>	<u>10,671</u>	<u>12,052</u>
<i>At 30 June 2016</i>	<u>12,052</u>	<u>12,052</u>	

6. GOVERNANCE COSTS

	Restricted funds 2017 £	Unrestricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Independent Examiners Fee	-	1,770	1,770	1,260

7. NET INCOME/(EXPENDITURE)

During the year, no Trustees received any remuneration (2016 - £NIL).
During the year, no Trustees received any benefits in kind (2016 - £NIL).
During the year, no Trustees received any reimbursement of expenses (2016 - £NIL).

8. DEBTORS

	2017 £	2016 £
Prepayments and accrued income	<u>202</u>	<u>200</u>

9. CREDITORS: Amounts falling due within one year

	2017 £	2016 £
Accruals and deferred income	<u>7,804</u>	<u>8,519</u>

Included within accruals and deferred income are school fees totalling £6,146 (2016 - £6,470) received in advance for the following school year.

EDINBURGH CHINESE SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

10. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 July 2016 £	Income £	Expenditure £	Balance at 30 June 2017 £
Unrestricted funds				
General Funds	13,962	12,754	(12,424)	14,292
Restricted funds				
Scottish Community Foundation	17	-	(17)	-
Total of funds	13,979	12,754	(12,441)	14,292

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 July 2015 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 30 June 2016 £
Unrestricted funds					
General Funds	12,135	15,053	(13,226)	-	13,962
	12,135	15,053	(13,226)	-	13,962
Restricted funds					
Scottish Community Foundation	103	-	(86)	-	17
	103	-	(86)	-	17
Total of funds	12,238	15,053	(13,312)	-	13,979

EDINBURGH CHINESE SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

SUMMARY OF FUNDS - CURRENT YEAR

	Balance at 1 July 2016 £	Income £	Expenditure £	Balance at 30 June 2017 £
General funds	13,962	12,754	(12,424)	14,292
Restricted funds	17	-	(17)	-
	<u>13,979</u>	<u>12,754</u>	<u>(12,441)</u>	<u>14,292</u>

SUMMARY OF FUNDS - PRIOR YEAR

	Balance at 1 July 2015 £	Income £	Expenditure £	Balance at 30 June 2016 £
General funds	12,135	15,053	(13,226)	13,962
Restricted funds	103	-	(86)	17
	<u>12,238</u>	<u>15,053</u>	<u>(13,312)</u>	<u>13,979</u>

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.

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Restricted funds 2017 £	Unrestricted funds 2017 £	Total funds 2017 £
Current assets	-	22,096	22,096
Creditors due within one year	-	(7,804)	(7,804)
	<u>-</u>	<u>14,292</u>	<u>14,292</u>

EDINBURGH CHINESE SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

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

12. CONTROLLING PARTY

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