LAMBETH CHINESE COMMUNITY ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)

COMPANY REGISTRATION NO. 2404310

REPORT AND ACCOUNTS

YEAR ENDED 31ST MARCH 1997

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LAMBETH CHINESE COMMUNITY ASSOCIATION

GENERAL INFORMATION

YEAR ENDED 31ST MARCH 1997

DIRECTORS AND TRUSTEES

John Perry
Junar Sy
Tony Chung
Teng Fung

CHARITY REGISTRATION

No. 802002

ADDRESS

69 Stockwell Road
London SW9 9PY

AUDITORS

Stephen Handley & Associates
Chartered Accountants and
Registered Auditors
10 Minard Road
Hither Green
London SE6 1NS

BANKERS

National Westminster Bank PLC
504 Brixton Road
London SW9 8EB

LAMBETH CHINESE COMMUNITY ASSOCIATION

DIRECTORS' REPORT

YEAR ENDED 31ST MARCH 1997

The Directors have pleasure in presenting their Report and the Accounts of the Company for the year ended 31st March 1997.

1. Principal Activities and Business Review

The principal activites of the Company are the promotion of education and relief of poverty among the Chinese community, and the advancement of Chinese culture and good community relations, in the London Borough of Lambeth.

The Company is constituted as a charity and limited by guarantee.

During the year, the Company reduced the scale of its activities in order to remain solvent within a greatly reduced level of funding from its normal sources. Its position at the year-end is considered satisfactory under the circumstances.

The Company has identified a need for Domiciliary Care services in the Chinese community, and expects to expand its services in this area further during the coming year.

2. Directors

The Directors who served in the year were as follows:

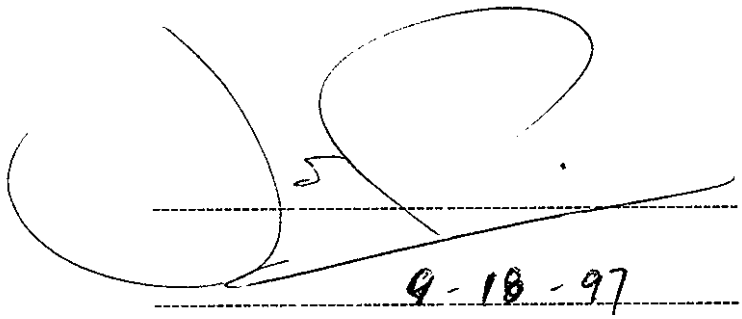
John Perry
Junar Sy
Sam Duong
Jean Claude Fok (resigned in year)
Janine Lai
Nhan San (resigned in year)
Yan Li (resigned in year)

3. Statement of Responsibilities

Company law provides that the Directors are responsible for the preparation of the annual Financial Statements which give a true and fair view of the operations of the Company. The Directors are required to select suitable accounting policies and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. They must prepare the Financial Statements on a going concern basis unless it is not appropriate to assume that the Company will continue operations.

In addition, the Directors are responsible for keeping proper accounting records, for safeguarding the assets of the Company, and for taking reasonable steps for the prevention of fraud or other irregularities.

Signed on behalf of the Board:



---------- John Perry

9-18-97 ---------- Date

LAMBETH CHINESE COMMUNITY ASSOCIATION

BALANCE SHEET

AT 31ST MARCH 1997

	Notes	1997		1996	
		£	£	£	£
Tangible Fixed Assets	2		4363		5132
Current Assets:					
Prepayments and Accrued Income		380		472	
Cash at Bank and in Hand		16784		16737	
		17164		17209	
Creditors: amounts falling due within one year					
Other Creditors	3	4703		7220	
		4703		7220	
Net Current Assets			12461		9989
Accumulated Fund	4		16824		15121

Signed on behalf of the Board:

John Perry

Junar Sy

9.18.97 Date

LAMBETH CHINESE COMMUNITY ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31ST MARCH 1996

	Notes	1996 £	1995 £
Income and Expenditure			
Incoming Resources:			
Grants and Donations received		83535	108955
School Fees		13634	11080
Other Income		6099	9572
Total incoming resources		103268	129607
Resources Used:			
Direct Charitable Expenditure:			
Salaries and Wages		54562	78546
Shared Overheads		9549	11556
Project Costs		28302	27369
Miscellaneous Expenses		987	1265
		93400	118736
Administration costs:			
Salaries and Wages		2921	5953
Shared Overheads		4182	4849
Miscellaneous Expenses		1062	1015
		8165	11817
Total resources used		101565	130553
Net resources		1703	-946
Net movement in funds:			
Fund balances at 1st April 1996		15121	16067
Net resources		1703	-946
At 31st March 1997		16824	15121

LAMBETH CHINESE COMMUNITY ASSOCIATION

INCOME AND EXPENDITURE ACCOUNT - COMPANY

YEAR ENDED 31ST MARCH 1997

	Notes	1997 £	£	1996 £	£
Income	5		103268		129607
Less:					
Salaries and Wages - Arts		8143		16455	
Salaries and Wages - Other		49340		68044	
Payroll Costs	6	57483		84499	
Shared Overheads:					
Rates and Services		279		429	
Insurance		1580		1143	
Telephone		1416		2121	
Hire and Leasing charges		1265		1265	
Light and Heat		841		947	
Repairs and Maintenance		3558		1428	
Cleaning and Sanitation		125		1622	
Printing, Post and Stationery		985		2876	
Bank charges		464		584	
General expenses		439		1304	
Audit and Accountancy		999		1329	
Professional charges		1780		361	
		13731		15409	
Project Costs:					
Arts and Festival expenses		3667		5899	
Elderly People's activities		4756		3951	
Youth Project				33	
Advice Centre costs		1086			
Educational Activities		18600		17486	
Domiciliary Care		193			
		28302		27369	
Miscellaneous Expenses:					
Redundancy Payment		733			
Advertising and Recruitment		204		1161	
Training costs		135		506	
Travel and Subsistence		177		256	
Volunteers' expenses		31		450	
Depreciation of Fixed Assets		769		903	
		2049		3276	
			101565		130553
Surplus/Deficit for the period			1703		-946

There were no recognised gains or losses other than those included in the Income and Expenditure Account.

LAMBETH CHINESE COMMUNITY ASSOCIATION

INCOME AND EXPENDITURE ACCOUNT - COMMUNITY SCHOOL

YEAR ENDED 31ST MARCH 1997

	Notes	1997		1996	
		£	£	£	£
Income	5		18690		15030
Less: Expenditure					
Teachers' allowances		11445		9408	
Teaching and library materials		3621		4865	
Outings		1235		544	
Refreshments		670		548	
School Functions		115		540	
School Projects		149		207	
Travel and Subsistence		341		247	
Training Courses		20			
Workshops		207		437	
Insurance		154			
Fee to Lambeth Community Education		408			
Printing, Post and Stationery		106		449	
Telephone		25			
General expenses		104		241	
			18600		17486
Surplus/Deficit for the period			90		-2456

There were no recognised gains or losses other than those included in the Income and Expenditure Account.

LAMBETH CHINESE COMMUNITY ASSOCIATION

INCOME AND EXPENDITURE ACCOUNT - ARTS AND FESTIVALS

YEAR ENDED 31ST MARCH 1997

	Notes	1997		1996	
		£	£	£	£
Income	5		16615		22481
Less: Expenditure					
Salaries and Wages		8143		16455	
Shared Overheads (one fifth)		2746		3093	
Workshops		377		883	
Artists and Performers		1458		2918	
Arts Materials		80			
Publication costs				1044	
Advertising		832		240	
Venue Hire		353		185	
Training costs		15		37	
Rates and Services					
Travel and Subsistence		74		230	
Printing, Post and Stationery		428		303	
Volunteers' expenses		50			
General expenses				59	
			14556		25447
Surplus/Deficit for the period			2059		-2966

There were no recognised gains or losses other than those included in the Income and Expenditure Account.

LAMBETH CHINESE COMMUNITY ASSOCIATION

NOTES TO THE ACCOUNTS

YEAR ENDED 31ST MARCH 1997

1. Accounting Policies.

Accounting Convention

The Accounts have been prepared under the historical cost convention and comply with the Statement of Recommended Practice for Charities.

Depreciation of Fixed Assets

Depreciation is charged at the following annual rates:

Plant and Equipment: 15% on reducing balance
Fixtures and Equipment: 15% on reducing balance

Recognition of Income and Expenses

Grants are included in income when the conditions for their receipt have been met. Therefore when grants and donations are received to fund a project that will take place over a defined period of time, the proportion of income relating to future periods is carried forward as grants received in advance.

Expenditure is recognised when consideration for the expenditure has passed.

Cash Flow Statement

The Company has taken advantage of the provisions in Financial Reporting Standard No. 1, which allow it not to publish a Cash Flow Statement as it is a small company.

Educational Activities and Arts and Festivals

Income is credited, and expenditure debited, to these activities in accordance with actual expenditure. In the Directors' opinion, one fifth of the general running costs of the Community Centre consists of providing office and other facilities to Arts and Festivals, and has been charged to that activity accordingly.

Taxation

The Company does not trade, and therefore no provision has made for Corporation Tax.

The Company recovers no Value Added tax and as a consequence all amounts in the Financial statements are inclusive of VAT where charged.

LAMBETH CHINESE COMMUNITY ASSOCIATION

NOTES TO THE ACCOUNTS (CONTINUED)

YEAR ENDED 31ST MARCH 1997

2. Tangible Fixed Assets

	Fixtures and Fittings	Plant and Equipment	Total
Cost:			
At 1st April 1996	5554	6602	12156
At 31st March 1997	5554	6602	12156
Accumulated Depreciation:			
At 1st April 1996	3827	3197	7024
Charge for period	259	510	769
At 31st March 1997	4086	3707	7793
Net Book Value at:			
31st March 1997	1468	2895	4363
31st March 1996	1727	3405	5132

In the Directors' opinion, the above assets were used wholly for charitable purposes.

	1997 £	1996 £
3. Other Creditors		
Taxation and Social Security costs included in Other Creditors	266	1833
4. Accumulated Fund		
At beginning of year	15121	16067
Surplus/Deficit for the period	1703	-946
At end of year	16824	15121

5. Income

	1997 £	1996 £
Centre:		
Core Grant	28000	86500
Advice Centre Grant	23648	
Refurbishment of Basement Grant	3816	
Domiciliary Care Project	3375	
Elderly Services	1617	3092
Membership Fees	541	106
Donations and other funders	4828	239
Sundry Sales and other income	1615	1165
Income from activities		836
Bank interest received	466	158
	67906	92096
Community School:		
Grant	3560	3648
School Fees	13634	11080
Donations	828	42
Income from activities	668	260
	18690	15030
Arts and Festivals:		
Grant	15480	18807
Art Workshop		231
Publications	13	2042
Donations and Charges	314	116
Income from activities	865	1285
	16672	22481
Total income for the year	103268	129607

The grants were received from the London Borough of Lambeth and were wholly spent in the years to which they relate.

6. Salaries ,Wages and Other Costs

Wages and Salaries	53051	77427
Social Security Costs	4432	7072
Audit Fee	999	999
Accountancy charges		330

No remuneration or expenses were paid to the Trustees.

LAMBETH CHINESE COMMUNITY ASSOCIATION

AUDIT REPORT TO THE MEMBERS

YEAR ENDED 31ST MARCH 1997

We have audited the Financial Statements on Pages 3 to 10 in accordance with Auditing Standards. These Financial Statements have been prepared under the historical cost convention and the accounting policies set out on page 8.

Respective responsibilities of the Trustees and the Auditors

As stated on page 2, the charity's trustees who are also the Directors of Lambeth Chinese Community Association for the purposes of company law are responsible for the preparation of Financial Statements. It is our responsibility to form an independent opinion based on our audit on those statements and to report our opinion to you.

Basis of Opinion

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

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

Opinion

In our opinion the Financial Statements give a true and fair view of the state of affairs of the charitable Company at 31st March 1997 and of its incoming resources and application of resources including its income and expenditurs for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Stephen Handley & Associates

Stephen Handley & Associates
Chartered Accountants
and Registered Auditors

10 Minard Road
Hither Green
London SE6 1NS

Dated: 18th September 1997