"Companies House"

THE LAMBETH CHINESE COMMUNITY ASSOCIATION
(a Company Limited by Guarantee)

Report and Financial Statements

Year Ended 31 March 2006

Charity No: 802002

Company No: 2404310



N. HARRIS & CO.

CHARTERED ACCOUNTANTS
AND
REGISTERED AUDITORS

LONDON

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THE LAMBETH CHINESE COMMUNITY ASSOCIATION
A Company Limited by Guarantee

Registered Office: 69 Stockwell Road, London SW9 9PY

NOTICE IS HEREBY GIVEN THAT a General Meeting of the Members of the Company will be held at 69 Stockwell Road, London SW9 9PY on the 4th day of December 2006 at 10.00 a.m.

For the following purposes:-

1. Read and approve the Notice convening the Meeting.
2. Approve the Minutes of the previous General Meeting.
3. Receive a Report from the Chairperson.
4. Receive and approve the Report of the Trustees/ Directors and the Audited Accounts of the Company for the years ended 31 March 2005 and 2006.
5. To reappoint N. Harris & Co. as Auditors to the Company.
6. Transact other business relevant to a General Meeting.

A Member entitled to attend and vote is entitled to appoint a proxy to attend and on a poll, to vote instead of him. A proxy need not be a Member of the Company.

BY ORDER OF THE BOARD

DR JACOB GHAZARIAN

Secretary

THE LAMBETH CHINESE COMMUNITY ASSOCIATION

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THE LAMBETH CHINESE COMMUNITY ASSOCIATION

LEGAL AND ADMINISTRATIVE INFORMATION

Current Directors/Trustees:	Sarah Leong Kok Wai Ho Dr Jacob Ghazarian Connie Jay Teresa Leung Magdeleine Chia Rachel Ooi (Resigned 4 July 2005)
Company Secretary:	Dr Jacob Ghazarian
Honorary Treasurer:	Soon Aug Pang
Joint Centre Managers:	Mr P Ma Ms Michelle Chuk
Registered Office:	69 Stockwell Road, London SW9 9PY
Registered Auditors:	N Harris & Co, Jaybee House, 155-157a Clapham High Street. London SW4 7SY
Bankers:	National Westminster Bank Plc, 504 Brixton Road, London SW9 8EB HSBC Bank Plc, 28 Borough High Street, London SE1 1YB

THE LAMBETH CHINESE COMMUNITY ASSOCIATION

Registered Office: 69 Stockwell Road, London SW9 9PY

REPORT OF THE TRUSTEES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2006

The Trustees, who are also the Directors of the Charity for the purposes of the Companies Act, submit their Annual Report and the audited financial statements for the year ended 31 March 2006. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) Accounting and Reporting by Charities amended in 2005, in preparing the Annual Report and the Financial Statements of the Charity.
The Charity is a company limited by guarantee and with charity status. It was incorporated on the 30 June 1989. The constitution then adopted was amended on the 19 August 1999.

OBJECTIVES AND MISSION

The Memorandum of Association defines the Charity's objects as to:

- To advance education among the inhabitants of the London Borough of Lambeth, in particular among members of the Chinese community and to advance the education of the public in Chinese history, art, culture and traditions.

- To provide or assist in the provision of facilities for the recreation and other leisure time occupation for the inhabitants of the London Borough of Lambeth and in particular in the interest of social welfare and with the objects of improving their conditions of life.

- To relieve poverty, sickness, and distress among members of the Chinese community in the London Borough of Lambeth.

- To work towards the elimination of racial discrimination and the promotion of good relations between persons of different ethnic origins residing or working in the London Borough of Lambeth.

The Lambeth Chinese Community Association, is a Charity with a mission to assist the local Chinese community to integrate into the local society and in so doing, the organisation has gained considerable experience in the area of multi-racial co-existence. The Charity, subject to the availability of funding, has the experience and the desire to provide a range of services and support to the Lambeth Chinese community with particular reference to the needs of the sick and elderly. The Charity also provides education through its school.

The strategic plan adopted identified the following key areas where the Charity has developed skill and competences:

- Care and social needs of the Lambeth Chinese Community.
- Educational needs of the Lambeth Chinese Community.

The Charity hopes not only to continue but also to expand its social and humanitarian activities.

REPORT OF THE TRUSTEES
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2006 (Continued)

REVIEW OF ACTIVITIES AND FUTURE DEVELOPMENTS

The Statement of Financial Activities through the year is set out on page 10 of the Financial Statements. Statements relating to the individual income and expenditures of each activity is set out in the Financial Statements between pages 10 to 18.

The Trustees, as aforesaid, hope to maintain the activities referred to above and wherever funding and experience permit, expand these for the benefit of the Lambeth Chinese community

FINANCIAL RECORDS

The Charity maintains a computerised system for recording its financial transactions. The accounting policies are as set out at Note 1 on page 12 of the Financial Statements. The Charity applies the accrual basis of accounting in connection the preparation of its Annual Financial Statements.

INCOME GENERATION

The Charity's total income decreased during the year to 31 March 2006 from £304,238 to £285,789. Projects and donations decreased from £271051 to £257491.

FUND RAISING

The Charity, during the year in question, has relied, in the main, on grants obtained for specific purposes and voluntary donations. Some general fundraising has taken place.

SERVICES AND RESOURCES EXPENDED

The Financial Statements between pages 10 and 18 show both the income attributable and the costs of each individual service provided. The Charity, as aforesaid, fully embraces the accruals basis of accounting.

RESERVES

The Trustees continually review the reserves of the Charity and the Charity's need of a buffer so as to provide uninterrupted service. The unrestricted reserve at the 31 March 2006 stood at £87,971. The budget for the coming year has been prepared on a break-even basis.

Restricted funds have decreased during the year from £88,168 to £63,053. This decrease arises from inter-fund transfers necessitated by the need to deal with project income and expenditures strictly in accordance with contractual periods.

CHANGES IN FIXED ASSETS

The movements in Fixed Assets during the year are set out in Note 8 to the Financial Statements and relate mainly to the acquisition of the Freehold Property at 69 Stockwell Road, London SW9 9PY.

REPORT OF THE TRUSTEES
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2006 (Continued)

GOVERNANCE AND INTERNAL CONTROL

The Directors who are the Trustees, are elected by the Members in General Meeting. The Articles of Association also provide for an Executive Committee. Regular meetings are held which will deal with the Charity's operations and matters of current need including those relating to personnel.

The Trustees constantly review effectiveness of their positions so as to meet the requirements that their Office places upon them.

The Trustees have taken all reasonable steps so far as the internal audit is concerned, to counteract fraud and irregularities. They also take steps to safeguard assets of the Charity and also to enable them to discharge their duties under the Companies Act including but not exclusively:

- The maintenance of proper books and records.
- Selection of suitable accounting policies.
- Safeguard the assets.
- Comply with all laws and regulations with a particular reference to those relating to the handling of food.
- Risk Management. The main areas include:
  - finance
  - operations and regulations
  - damage to the good-name and reputation of the Association
- Health and Safety issues.
- Reviewing all aspects of the Charity's operation.

EMPLOYEE INVOLVEMENT AND EMPLOYMENT

The Charity employs necessary assistance in connection with each of its projects.

Potential employees are interviewed by management to ensure that:
- They are entitled to work in the United Kingdom.
- They have the necessary capabilities.

The Executive Committee takes steps to ensure that employees are, at all times, fully informed as to prevailing circumstances.

The Charity has implemented a policy relating to personnel which includes:

- Equal opportunities.
- A volunteer policy.
- Matters relating to Health and Safety.
- Disabled access to the Company's premises in Stockwell Road. The Charity has long established policies relating to fair employment, recruitment, selection and the retention and training of staff.

REPORT OF THE TRUSTEES
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2006 (Continued)

VOLUNTEERS

The Charity is grateful to the many volunteers who have helped during the financial year, particularly where domiciliary duties have been involved and also in connection with the Luncheon Club. The average number of volunteers has been ...

PERFORMANCE AND ACTIVITIES

During the year to 31 March 2006

The Association managed active projects all of which required the skill and competence built up by the Association over two decades. These can be summarised as:

- Delivering effective care and social services to the Chinese community of South London.
- Meeting the education imperatives of the Chinese community of South London by the provision of a Saturday School offering mother-tongue classes to children of the community. There are 150 mostly British born children of Chinese origin who attend Mandarin and Cantonese lessons, the organisation of the classes takes account of varying proficiency levels.

The Association's ongoing programmes include:

- Welfare Advice.
- Elderly Luncheon Service.
- Outreach Welfare Service.
- Domiciliary Care.
- Carers' Support.
- Healthy Living Activities.
- English Classes.
- Refugee Advice.

Future plans

These plans in general remain fluid and are subject to continuous evaluation but they can be said to include:

- Strengthening the existing programmes and continuing to maintain quality services at minimal costs.
- Seek new opportunities for further development and expansion of the services now provided.
- Conducting surveys in order to assess the needs of the community, this will facilitate adjustments to the services provided and their delivery.
- To meet the need for ever increasing care programmes.

REPORT OF THE TRUSTEES
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2006 (Continued)

FINANCIAL REVIEW

The Association during the year continued to undertake centre initiated projects and also projects on behalf of local authorities and others who donated to the Restricted Funds.

The financial records relating to Restricted and Unrestricted projects were updated and where necessary the Trustees effected the Inter-Fund transfers as shown by the accounts. The Charity in general, during the year to 31 March 2006, strengthened its financial position through the acquisition of a freehold property which has and will continue to increase in value. A balance of the purchase price outstanding at the 31 March 2006 and which is secured is payable over a period of 25 years.

As at 31 March 2006 all funds are in balance and no deficits are carried forward.

RELATIONSHIP WITH OTHER CHARITIES

The Charity has maintained a healthy rapport with other charitable organisations in South London which concentrate their affairs in the aspects of care, including immigration, refugee and asylum matters and in particular with matters that deal with mental health.

The Charity also maintains a healthy relationship and is in constant dialogue with the Chinese in Britain Forum debating issues on the necessity of addressing minority group needs in the United Kingdom and how the community might contribute to the general welfare of Britain.

AUDITORS

The resolution proposing that Mr N Harris of N Harris & Company, be reappointed as Auditors to the Charity, will be put to the Annual General Meeting. This Report was approved by the Board on 14 November 2006.

FOR AND ON BEHALF OF THE TRUSTEES

Trustee

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE LAMBETH CHINESE COMMUNITY ASSOCIATION

We have audited the financial statements for the year ended 31 March 2006 set out on pages 10 to 18. These financial statements have been prepared under the historical cost convention in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005) and the accounting policies set out in the financial statements.

Respective responsibilities of Directors and Auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it or material inconsistencies with the financial statements.

Basis of Audit Opinion

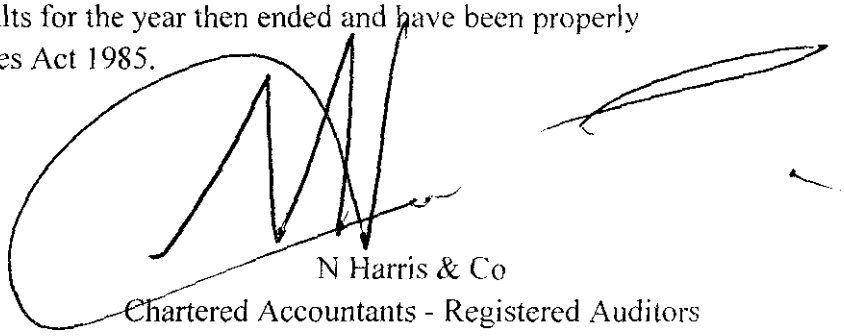
We conducted our audit in accordance with United Kingdom Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the 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 misstatements, 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE LAMBETH CHINESE COMMUNITY ASSOCIATION

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 2006 and of its results for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



N Harris & Co
Chartered Accountants - Registered Auditors
Jaybee House, 155-157A Clapham High Street
London SW4 7SY

LONDON - 14th day of November 2006

THE LAMBETH CHINESE COMMUNITY ASSOCIATION

BALANCE SHEET AS AT 31 MARCH 2006

	Note No.	2006 £	2006 £	2005 £	2005 £
FIXED ASSETS					
Tangible Assets	11		151083		5168
Current Assets					
Debtors	12	27522		22169	
Cash at bank and in hand		98738		83253	
		126260		105422	
Current Liabilities					
Creditors: Amounts falling due within one year	13	29205		14782	
Net Current Assets			97055		90640
Total Assets less Current liabilities			248138		95808
Creditors: Amounts falling due after more than one year			(97114)		-
Net Assets			151024		95808
Income Funds					
Restricted Funds			63053		88168
Unrestricted Funds			87971		7640
			151024		95808

The financial statements on Pages 10 to 18 were approved by the Board of Trustees on the 14 November 2006 and signed on its behalf by:-

.....)
TLEUNG)
)
MChu) TRUSTEES
.....)
Magdeleine Chia)

THE LAMBETH CHINESE COMMUNITY ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2006

	2006			2005
	Restricted Funds	Un-restricted Funds	Total	Total
	£	£	£	£
Incoming Resources				
Voluntary income:				
Grants and donations	33914	1917	35831	7925
Activities for generating funds:				
Fundraising and membership	-	3364	3364	2093
Incoming resources from charitable activities:				
Health, welfare, recreation and education	216164	-	216164	259811
Investment income:				
Interest receivable	32	2100	2132	1222
Contributions to Centre	-	28298	28298	33187
Total incoming resources	250110	35679	285789	304238
Resources Expended				
Costs of generating voluntary income:				
Fundraising	-	1255	1255	1181
Costs of charitable activities:				
Welfare and support	22866	-	22866	28589
Education and awareness	15069	-	15069	24523
Health and poverty reduction	185150	-	185150	158928
Recreation and stress	490	-	490	22905
Governance costs	5357	386	5743	4984
Total operational resources expended	228932	1641	230573	241110
Net Incoming				
Resources before transfers	21178	34038	55216	63128
Transfer between funds	(46293)	46293	-	-
Net Incoming(Outgoing)				
Resources after transfer	(25115)	80331	55216	63128
Balances Brought Forward	88168	7640	95808	32680
Balances Carried Forward	63053	87971	151024	95808

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2006

1. ACCOUNTING POLICIES

a. Basis of Preparation

The financial statements have been prepared under the historical cost convention, and in accordance with the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" published in March 2005 and applicable accounting standards.

b. Company Status

The Charity is a company limited by guarantee. 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.

c. Donations, Grants and Voluntary Income

The Charity adopts the accruals principle for accounting. Therefore, monies received are allocated to the period agreed with the Fund Providers.

d. Direct Charitable Expenditure

Direct charitable expenditure comprises all expenditure relating to the objects of the Charity. All expenditure is accounted for on an accruals basis.

e. Depreciation

The Charity's tangible fixed assets are depreciated at the following rates:

Freehold Premises	2% per annum - straight line basis
Other Tangible Assets	15% per annum - reducing balance basis

f. Stocks

The cost of food for the Association's kitchen is written off as incurred and no stocks are included in the Financial Statements.

g. Investment Income

Investment income is comprised of interest earned on bank deposits.

h. Fund Accounting

General funds are unrestricted and are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors and grant givers, or which have been raised by the Charity for particular purposes. The cost of administering each such fund is charged against the specific fund.

2.1 DONATIONS, GRANTS AND VOLUNTARY INCOME

	2006	2005
	£	£
Gifts and donations		
Donations - Unrestricted	1917	-
Donations - Restricted	33914	7925
Membership - Unrestricted	1267	350
Fundraising - Unrestricted	2097	2093
Welfare and support		
Outreach advice - Restricted	16169	20234
Refugee project - Restricted	5726	12593
Education and awareness		
School project - Restricted	9440	23600
Adult learning - Restricted	-	2800
Health and poverty reduction		
Carer's support - Restricted	16557	16153
Domiciliary care services - Restricted	100871	109178
Elderly mental health - Restricted	18704	-
Elderly luncheon club - Restricted	6540	16606
Day centre services - Restricted	41327	9991
Elderly day care services - Restricted	-	20230
Woman support activities - Restricted	830	-
Recreation and stress fund		
Outing project - Restricted	-	24698
Mercers' Company - Restricted	-	1560
Chinese music - Restricted	-	1818
Other Incoming Resources		
Contributions to Centre - Unrestricted	28298	33187
Bank interest receivable - Unrestricted	2100	1222
Bank interest receivable - Restricted	32	-
Total	285789	304239

2.2 **GRANT PROVIDERS**

The providers of grants for the Charity's activities for the current and previous year were:-

Activity	Grant and Fund Providers
School Fund	Lambeth Education Authority (Walcot Hayes & Walcot)
School Fund	Lambeth Education Authority
Domiciliary Care	Lambeth Social Services
Domiciliary Care	Wandsworth Social Services
Domiciliary Care	Southwark Social Services
Elderly Day Centre	Lambeth Social Services
Elderly Luncheon Club	Hyde Housing Association Ltd
Carer Support	Lambeth Social Services
Outreach	Community Fund (Lottery)
Elderly Mental Health	By Lottery Fund
New Year Project	Chinese Community and Public
The Acquisition of Building Project	Chinese Community & Public
SPAN link-up	Single Parent Action Network
Refugee Support	City Poachial Foundation
Refugee Support	Lambeth Social Services

3. **INVESTMENT INCOME**

Investment income is comprised of interest receivable on bank deposits. During the year £2132 of bank deposit interest was received, £32 of which was in respect of a Restricted Fund.

4. TOTAL RESOURCES EXPENDED

	Basis	Fund-Raising £	Welfare £	Edu-cation £	Health & Poverty £	Re-creation £	Gover-nance £	2006 Total £	2005 Total £
Costs directly allocated to activities									
Programme licence	Direct	-	-	-	2517	-	-	2517	-
Transport costs	Direct	36	-	3564	2313	-	-	5913	3685
Workshops and activities	Direct	1102	2632	6084	4067	490	-	14375	24507
Volunteer expenses	Direct	102	225	20	246	-	-	593	13817
Training costs	Direct	-	-	-	363	-	-	363	426
Food costs	Direct	-	52	-	4560	-	-	4612	6184
Staff costs	Direct	-	14310	4980	127535	-	-	146825	118901
Other costs	Direct	15	214	10	937	-	-	1176	4813
Governance	Direct	-	-	-	-	-	5357	5357	4984
DIRECT COSTS		1255	17433	14658	142538	490	5357	181731	177316
Support Costs Allocated as indicated									
Staff costs		-	-	-	-	-	-	-	17691
Contribution to Centre	Usage	-	2753	-	25545	-	-	28298	33187
Bank charges	Usage	-	71	9	392	-	-	472	661
Depreciation	Per Capita	-	317	49	2027	-	49	2442	912
Payroll charges	Per Capita	-	102	16	668	-	-	786	716
Communications	Per Capita	-	298	46	1901	-	46	2291	2642
Premises & Office	Per Capita	-	1892	291	12079	-	291	14553	7985
SUPPORT COSTS		-	5433	411	42612	-	386	48842	63794
TOTAL RESOURCES EXPENDED FOR OPERATIONS		1255	22866	15069	185150	490	5743	230573	241110

5. STAFF COSTS

	2006	2005
	£	£
Gross salaries	137872	127273
Social Security costs	8953	9240
	146825	136513

6. STAFF NUMBERS

	2006	2005
The average number of employees throughout the year was :	5	8

7. TRUSTEES REMUNERATION

The Trustees neither received nor waived any emoluments during the year (2005 - Nil). Out of pocket expenses were reimbursed to the Trustees as follows:-

	2006	2005
	£	£
Amounts refunded	-	2

8. TANGIBLE FIXED ASSETS

	Land & Buildings	Fixtures & Fittings	Plant & Equipment	Total
	£	£	£	£
Cost				
As at 01/04/05	-	6954	11389	18343
Additions	146727	-	1630	148357
As at 31/03/06	146727	6954	13019	166700
Depreciation				
As at 01/04/05	-	5364	7811	13175
Charge for the year	1467	239	736	2442
As at 31/03/06	1467	5603	8547	15617
Net Book Value				
As at 31/03/06	145260	1351	4472	151083
As at 31/03/05	-	1590	3578	5168

8. **TANGIBLE FIXED ASSETS** (Continued)

The Freehold Property at 69 Stockwell Road, London SW9 9PY was purchased on the 30th day of September 2005 for the sum of £146,727. A mortgage repayable over a period of 25 years in the sum of £100,000 has been provided by HSBC Bank Plc. The security relates to the aforementioned property and also the certain possible future income of the Association. The Trustees are of the opinion that the property has a current open market value in the region of £300,000.

9. **DEBTORS**

	2006	2005
Amounts falling due within one year	£	£
Prepayments	9841	3496
Other Debtors	17681	18673
	27522	22169

10. **CREDITORS**

	2006	2005
Amounts falling due within one year	£	£
Bank loans and mortgages	2000	-
Deferred income	20838	9696
Accruals	6367	5086
	29205	14782

	2006	2005
	£	£
Amounts falling due after one year		
Bank loans and mortgages	97114	-

Security given comprises the following:-

Creditor	Type of Security given
HSBC Bank Plc	All monies due or to become due from the company to the chargee on any account whatsoever. The freehold property k/a 69 Stockwell Road, London with the benefit of all rights. licences, guarantees, rent deposits, contracts. deeds, undertakings and warranties relating to the property any shares or membership rights in any management company for the property any goodwill of any business from time to time carried on at the property any rental and other money payable under any lease licence or other interest created in respect of the property and all other payments whatever in respect of the property.

11. **PENSION COMMITMENTS**

There was no pension scheme in operation during the year under review, nor any other pension commitments.

12. **RESTRICTED FUND BALANCES AT 31 MARCH 2006**

Income is now brought to credit over the period of a grant project. Deficit balances on individual funds which arose as a result of grants being accounted for on a receipts basis have been eliminated.

13. **RELATED PARTY TRANSACTIONS**

Ms Connie Jay, Director, and Mr K W Ho, Director, both made substantial donations to the Building Fund during the year.

No Trustee or other person related to the Charity had any personal interest in any contract or transaction entered into by the Charity during the year to 31 March 2006 (2005 - Nil).