

Charity registration number 1015621

Company registration number 02763177 (England and Wales)

MING-AI ASSOCIATION
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

MING-AI ASSOCIATION

LEGAL AND ADMINISTRATIVE INFORMATION

Executive Committee Members	Mr Holland Kwok Prof. Jonathan Tai Leck Liu Mr Kah Fei Ho Ms Grace Chung Mr Andrew Waha Kwok Mrs Hanifah Law Prof. Ibrahim Sirkeci Prof. Wilson Ng	(Appointed 26 October 2021) (Appointed 26 October 2021)
Honorary President	Cardinal Vincent Nichols	
Chairman	Prof Jonathan Tai Leck Liu	
Dean	Ms Chung Wen Li	
Secretary	Mr Kah Fei Ho	
Charity number	1015621	
Company number	02763177	
Principal address	1 Cline Road Off Bounds Green Road London N11 2LX	
Registered office	1 Cline Road Off Bounds Green Road London N11 2LX	
Auditor	George Arthur Limited Suite 6b, Wentworth Lodge Great North Road Welwyn Garden City Herts AL8 7SR	
Bankers	HSBC Bank plc Cross Road 897 Finchley Road Golders Green London NW11 7NX	

MING-AI ASSOCIATION

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MING-AI ASSOCIATION

DIRECTORS' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 30 JUNE 2022

The Executive Committee Members present their annual report and financial statements for the year ended 30 June 2022.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum of Association, the Companies Act 2006 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005.

Objectives and activities

The original principal activity of Ming-Ai was focused on organising adult educational courses, and promoting educational seminars and exchanges with the People's Republic of China in London. Over the years the activities of the charity has broadened and deepened to include Chinese people from all over the world and support the development of a better understanding of the Chinese Culture and its heritage. The main objectives for the year were:

- To promote social, cultural heritage, educational and economic exchanges among the peoples of Hong Kong, China and Britain, together with all other peoples, without distinction of colour or creed.
- To serve all people, irrespective of colour or creed for the advancement of Christian beliefs, the advancement of education, the relief of poverty and the general benefit of the public in such manner as may be charitable.

The objectives are pursued by the staff of Ming-Ai under the direction of the Dean and are regularly reviewed by the Board of Trustees. The activities carried out in the year ended 30 June 2021 shown in the financial statements where the various sources of income, including donations received are noted is a true reflection of the activities of the charity.

The Executive Committee Members have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

2021/22 was still an unprecedented year for Ming-Ai because of the continued coronavirus pandemic and national lockdowns. We ran our programmes online, and had developed a digital platform via the educational Microsoft Teams. We continue servicing our funded projects, offering opportunities to engage and learn about Chinese Culture, and offering the MA in Chinese Culture Heritage Management programme in collaboration with the Middlesex University. A new *British Chinese Heritage Centre* website has also been developed.

For the MA Chinese Cultural Heritage Management programme, we went through the revalidation process with Middlesex University between May and July 2021 and had been successfully revalidated. We used this opportunity to restructure the programme by providing nine teaching modules instead of five teaching modules. Also, we have created extra two entry levels, namely: PGCert and PGDip; and a new PGCert Heritage Skills for Community. The new strategy allows us to explore different education markets.

The Fun :) Healthy Chinese Cuisine Ambassador Project is in its seventh year during academic year 2021/22, the project team started to resume the visit to schools and provided in-person workshop from Jan 2022. The project team has spent time in developing online cooking demonstration video, digital platform for schoolteachers, and had arranged an online competition for schools' food teachers.

The project commissioned by a private Hong Kong funder on the former Hong Kong Governors' yacht – The Lady Maurine, the funder has decided to postpone the book publishing date because of the political issues in Hong Kong.

MING-AI ASSOCIATION

DIRECTORS' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 30 JUNE 2022*

Financial review

The charity had total incoming resources, for the year of £178,093 (2021: £361,972) details of which are shown in the Statement of Financial Activities. Resources expended totalled £251,335 (2021: £227,048) resulting in a deficit for the year of £73,242 (2021: £134,924 surplus).

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The Executive Committee Members consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The Executive Committee Members have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Plans for the future

We are working on our submission to the Office for Students in order to become an independent provider of education.

We are finalising the sale agreement of the Institute's property with the Bishop in Hong Kong and Fung Shan Foundation in the UK. At the end of this sale settlement, Ming-Ai will own one quarter of the building (existing premises). This legacy will allow us to have a higher degree of independence and autonomy.

As Ming-Ai matures and moves forward, the Board of Trustees has been focusing on planning strategically ahead. To this end the Board has held workshops to shape its strategic outlook to strengthen the resilience of Ming-Ai. This would in the long run allow Ming-Ai to be more streamlined with its objectives and aims as well as enhancing the legacy of its founder, Dr Theresa Shak.

Structure, governance and management

The Ming-Ai Association was formed as a charitable company in 1992. It is a company limited by guarantee, was incorporated on 9 November 1992 and registered as a charity on 7 December 1992. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up, members are required to contribute an amount not exceeding £1.

The Executive Committee Members, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr Holland Kwok

Prof. Jonathan Tai Leck Liu

Mr Kah Fei Ho

Ms Grace Chung

Mr Andrew Waha Kwok

Mrs Hanifah Law

Prof. Ibrahim Sirkeci

Prof. Wilson Ng

(Appointed 26 October 2021)

(Appointed 26 October 2021)

MING-AI ASSOCIATION

DIRECTORS' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) ***FOR THE YEAR ENDED 30 JUNE 2022***

The Directors are appointed by the members of the Association. To be eligible for appointment they must be a member. The Directors meet 4 or 5 times a year and are responsible for the management of the Association.

One of the Directors shall retire from office at every Annual General Meeting.

A retiring Director shall be eligible for re-election for a further term. After retirement from the Executive Committee he or she shall be eligible for election to the Committee at the Annual General Meeting at which he or she retired or any subsequent Annual General Meeting.

No Director has an interest in the company, which is limited by guarantee.

Directors are appointed at the Annual General Meeting of the charity although they can be appointed by the Committee in the interim.

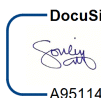
The majority of the Members on the Executive Committee are Christians and already have a good understanding of the Association's work. New Members receive an induction including an explanation of the aims, objectives and financial results of the Association.

Auditor

In accordance with the company's articles, a resolution proposing that George Arthur Limited be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the Executive Committee Members has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

DocuSigned by:

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Prof. Jonathan Tai Leck Liu

Member of the Board of Trustees

Dated: 6 March 2023

MING-AI ASSOCIATION

STATEMENT OF DIRECTORS' RESPONSIBILITIES

FOR THE YEAR ENDED 30 JUNE 2022

The Executive Committee Members, who are also the directors of Ming-Ai Association for the purpose of company law, are responsible for preparing the Directors' 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 Executive Committee Members to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Executive Committee Members are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Executive Committee Members are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The trustees confirm that so far as they are aware, there is no relevant audit information (as defined by section 418(3) of the Companies Act 2006) of which the charitable company's auditors are unaware. They have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

MING-AI ASSOCIATION

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MING-AI ASSOCIATION

Opinion

We have audited the financial statements of Ming-Ai Association (the 'charity') for the year ended 30 June 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 June 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Executive Committee Members with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Executive Committee Members are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

MING-AI ASSOCIATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF MING-AI ASSOCIATION

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Executive Committee Members were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of Executive Committee Members

As explained more fully in the statement of directors' responsibilities, the Executive Committee Members, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Executive Committee Members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Executive Committee Members are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Executive Committee Members either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

MING-AI ASSOCIATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF MING-AI ASSOCIATION

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

Jane Rook

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Jane A Rook (Senior Statutory Auditor)

for and on behalf of George Arthur Limited

6 March 2023

**Chartered Accountants
Statutory Auditor**

Suite 6b, Wentworth Lodge
Great North Road
Welwyn Garden City
Herts
AL8 7SR

MING-AI ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 30 JUNE 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
Income from:					
Donations and legacies	2	21,908	-	21,908	36,081
Charitable activities	3	26,953	129,201	156,154	325,874
Investments	4	31	-	31	17
Total income		<u>48,892</u>	<u>129,201</u>	<u>178,093</u>	<u>361,972</u>
Expenditure on:					
Charitable activities	5	<u>117,580</u>	<u>133,755</u>	<u>251,335</u>	<u>227,048</u>
Net (expenditure)/income for the year/ Net movement in funds		(68,688)	(4,554)	(73,242)	134,924
Fund balances at 1 July 2021		<u>148,170</u>	<u>19,503</u>	<u>167,673</u>	<u>32,749</u>
Fund balances at 30 June 2022		<u><u>79,482</u></u>	<u><u>14,949</u></u>	<u><u>94,431</u></u>	<u><u>167,673</u></u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

MING-AI ASSOCIATION

BALANCE SHEET

AS AT 30 JUNE 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	9		3,352		4,471
Current assets					
Debtors	10	3,611		6,899	
Cash at bank and in hand		118,209		180,713	
		<u>121,820</u>		<u>187,612</u>	
Creditors: amounts falling due within one year	11	<u>(30,741)</u>		<u>(24,410)</u>	
Net current assets			91,079		163,202
Total assets less current liabilities			<u>94,431</u>		<u>167,673</u>
Income funds					
Restricted funds			14,949		19,503
Unrestricted funds			79,482		148,170
			<u>94,431</u>		<u>167,673</u>

The financial statements were approved by the Executive Committee Members on 6 March 2023

DocuSigned by:



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Prof. Jonathan Tai Leck Liu

Trustee

Company registration number 02763177

MING-AI ASSOCIATION**STATEMENT OF CASH FLOWS*****FOR THE YEAR ENDED 30 JUNE 2022***

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	14		(62,537)		138,448
Investing activities					
Purchase of tangible fixed assets		-		(4,473)	
Investment income received		31		17	
		<hr/>		<hr/>	
Net cash generated from/(used in) investing activities			31		(4,456)
Net cash used in financing activities			<hr/> -		<hr/> -
Net (decrease)/increase in cash and cash equivalents			(62,506)		133,992
Cash and cash equivalents at beginning of year			<hr/> 180,713		<hr/> 46,722
Cash and cash equivalents at end of year			<hr/> <hr/> 118,209		<hr/> <hr/> 180,713

MING-AI ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

1 Accounting policies

Charity information

Ming-Ai Association is a private company limited by guarantee incorporated in England and Wales. The registered office is 1 Cline Road, Off Bounds Green Road, London, N11 2LX.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Executive Committee Members have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Executive Committee Members continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Executive Committee Members in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

All incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income.

Voluntary income is received by way of donations and is included in full in the Statement of Financial Activities in the year in which they are receivable.

Income resulting from the charitable activities is recognised in full in the Statement of Financial Activities in the year in which it is receivable.

Investment income is recognised on a receivable basis.

MING-AI ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

1 Accounting policies

(Continued)

In accordance with the Statement of Recommended Practice grants received in advance and specified by donor as relating to specific accounting periods or alternatively which are subject to conditions which are still to be met, and which are outside the control of the charity or where it is uncertain whether the conditions can or will be met, are deferred on an accruals basis to the period to which they relate. Such deferrals are shown in the notes to the accounts and the sums involved are shown as creditors in the accounts.

1.5 Expenditure

Expenditure is recognised on an accruals basis when a liability is incurred. Contractual arrangements are recognised as services are supplied.

Costs of generating funds are those costs incurred in attracting voluntary income.

Charitable activities include expenditure associated with the organisation of the course fees and programme income.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of a resource. Costs relating to a particular activity are allocated directly.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and machinery	25% on reducing balance
Fixtures, fittings & equipment	25% on reducing balance
Computers	25% on reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

MING-AI ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

1 Accounting policies

(Continued)

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method 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. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank 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. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

MING-AI ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

2 Donations and legacies

	Unrestricted funds	Total
	2022 £	2021 £
Donations and gifts	315	346
Government grants income	21,593	35,735
	<u>21,908</u>	<u>36,081</u>
Grants receivable for core activities		
Coronavirus Job Retention Scheme	6,493	35,735
Kick Start Scheme	15,100	-
	<u>21,593</u>	<u>35,735</u>

3 Charitable activities

	Courses 2022 £	Funded projects 2022 £	Total 2022 £	Total 2021 £
Sales within charitable activities	-	129,201	129,201	234,185
Services provided under contract	26,953	-	26,953	91,689
	<u>26,953</u>	<u>129,201</u>	<u>156,154</u>	<u>325,874</u>
Analysis by fund				
Unrestricted funds	26,953	-	26,953	91,689
Restricted funds	-	129,201	129,201	234,185
	<u>26,953</u>	<u>129,201</u>	<u>156,154</u>	<u>325,874</u>
For the year ended 30 June 2021				
Unrestricted funds	91,689	-		91,689
Restricted funds	-	234,185		234,185
	<u>91,689</u>	<u>234,185</u>		<u>325,874</u>

MING-AI ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

4 Investments

	Unrestricted funds	Total
	2022 £	2021 £
Interest receivable	31	17

5 Charitable activities

	Courses 2022 £	Funded projects 2022 £	Total 2022 £	Total 2021 £
Staff costs	43,023	84,441	127,464	126,615
Depreciation and impairment	1,117	-	1,117	1,556
Activities undertaken directly	36,154	9,805	45,959	42,047
Support costs	8,242	39,509	47,751	21,407
Other charitable expenditure	26,044	-	26,044	32,423
	114,580	133,755	248,335	224,048
Share of governance costs	3,000	-	3,000	3,000
	117,580	133,755	251,335	227,048
Analysis by fund				
Unrestricted funds	117,580	-	117,580	123,511
Restricted funds	-	133,755	133,755	103,537
	117,580	133,755	251,335	227,048
For the year ended 30 June 2021				
Unrestricted funds	123,511	-		123,511
Restricted funds	-	103,537		103,537
	123,511	103,537		227,048

6 Executive Committee Members

During the year, Ms Grace Chung was engaged as a lecturer under standard terms of the charity and was remunerated in the total sum of £4,870 (2021 - £5,440). None of the other Executive Committee Members (or any persons connected with them) received any remuneration during the year.

MING-AI ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

7 Employees

Number of employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Administrative	3	3
Internship	9	5
	<u>12</u>	<u>8</u>

Employment costs

	2022 £	2021 £
Wages and salaries	120,450	120,723
Social security costs	5,013	4,033
Other pension costs	2,001	1,859
	<u>127,464</u>	<u>126,615</u>

No trustee expenses were incurred.

There were no employees whose annual remuneration was £60,000 or more.

8 Taxation

The Ming-Ai Association is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

MING-AI ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

9 Tangible fixed assets

	Plant and machinery	Fixtures, fittings & equipment	Computers	Total
	£	£	£	£
Cost				
At 1 July 2021	79,685	42,251	7,472	129,408
At 30 June 2022	79,685	42,251	7,472	129,408
Depreciation and impairment				
At 1 July 2021	77,101	42,251	5,587	124,939
Depreciation charged in the year	646	-	471	1,117
At 30 June 2022	77,747	42,251	6,058	126,056
Carrying amount				
At 30 June 2022	1,938	-	1,414	3,352
At 30 June 2021	2,585	-	1,886	4,471

10 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	-	150
Prepayments and accrued income	3,611	6,749
	3,611	6,899

11 Creditors: amounts falling due within one year

	2022 £	2021 £
Other taxation and social security	1,657	2,091
Trade creditors	9,122	-
Other creditors	2,045	2,053
Accruals and deferred income	17,917	20,266
	30,741	24,410

MING-AI ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

12 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 30 June 2022 are represented by:						
Tangible assets	3,352	-	3,352	4,471	-	4,471
Current assets/(liabilities)	91,079	-	91,079	143,699	19,503	163,202
	<u>94,431</u>	<u>-</u>	<u>94,431</u>	<u>148,170</u>	<u>19,503</u>	<u>167,673</u>

13 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2022 £	2021 £
Aggregate compensation	<u>32,576</u>	<u>32,576</u>

14 Cash generated from operations

	2022 £	2021 £
(Deficit)/surplus for the year	(73,242)	134,924
Adjustments for:		
Investment income recognised in statement of financial activities	(31)	(17)
Depreciation and impairment of tangible fixed assets	1,117	1,556
Movements in working capital:		
Decrease/(increase) in debtors	3,288	(3,064)
Increase in creditors	6,331	5,049
Cash (absorbed by)/generated from operations	<u>(62,537)</u>	<u>138,448</u>

15 Analysis of changes in net funds

The charity had no debt during the year.