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# **The Great Britain China Centre**

## **Annual Report and Accounts 2010-11**

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Presented to Parliament pursuant to Section 6 of the Government Resources and Accounts Act 2000  
(Audit of Non-profit-making Companies) Order 2009

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**The Great Britain - China Centre (Limited by Guarantee)  
Report and Financial Statements**

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**The Great Britain - China Centre (Limited by Guarantee)  
Company Information  
as at 31 March 2011**

**DIRECTORS**

Mr Peter Batey OBE	- Chairman
Mr Rodney Bickerstaffe	- resigned December 2010
Mr Hugh Davies	- Vice Chairman
Ms Lorna Ball	- Vice Chairman
Ms H-J Bruncker	
Mr Ben Chapman MP	resigned May 2010
Mr Martin Davidson	
Professor Hugo de Burgh	
Mr Christopher Fitzgibbon	- Honorary Treasurer
Mr Edward Garnier QC MP	resigned May 2010
Mr Andrew Halper	
Ms Clare Hammond	
Mr Michael Hancock MP	resigned May 2010
Mr John Hughes	
Sir Christopher Hum	
Ms Julia Longbottom	
Mr Ian Lindsley	
Lady Patricia Mirrlees	resigned June 2010
Mr Ian Stewart MP	resigned May 2010
Ms Madeleine Sturrock	
Mr Lifen Zhang	

**SECRETARY**

Ms Katie Lee

**REGISTERED OFFICE**

15 Belgrave Square  
London SW1X 8PS

**AUDITORS**

National Audit Office  
157 - 197 Buckingham Palace Road  
London SW1W 9SP

## **The Great Britain - China Centre (Limited by Guarantee) Directors' Report**

The Directors present their report and financial statements for the year ended 31 March 2011. The information contained in the Directors' Report is not subject to Audit.

The financial statements have been prepared in a form directed by the Secretary of State for Foreign and Commonwealth Affairs with the consent of the Treasury and in accordance with the Companies Act 2006 and the special provisions of Part VII of the Act relating to Small Companies. None of the Directors were remunerated.

### **The Great Britain - China Centre**

The Great Britain - China Centre was established in 1974, and is an executive non-departmental public body. The Centre receives grant-in-aid from the Foreign and Commonwealth Office.

### **Principal activities**

The company's principal activity during the year continued to be the promotion of closer cultural, social, professional, economic, educational and other contacts between Britain and China and to encourage mutual knowledge and understanding.

### **Results**

The results for the year are set out on page 8. The Directors consider the state of the company's affairs to be satisfactory. The Directors also confirm that:

- \* as far they are aware, there is no relevant audit information of which the company's auditors are unaware; and
- \* they have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor's are aware of that information.

### **Statement of the Executive Secretary and Directors' responsibilities**

Company law requires the Executive Secretary and Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the surplus or deficit for that period. In preparing those financial statements, the Executive Secretary and Directors are required to:

- \* select suitable accounting policies and then apply them consistently
- \* make judgments and estimates that are reasonable and prudent
- \* state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- \* prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in operation

**The Great Britain - China Centre (Limited by Guarantee)**  
**Directors' Report**

The Executive Secretary and Directors are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They also have a general responsibility for taking such steps as are reasonably available to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

In addition, in appointing the Executive Secretary of the Great Britain - China Centre as accounting officer of the company, the Secretary of State for Foreign and Commonwealth Affairs has placed on the Executive Secretary a responsibility for ensuring the regularity and propriety of the public finances, a requirement which is set out in the company's financial memorandum.

This report was approved by the Board on 29 June 2011.

Katie Lee  
**Executive Secretary and Accounting Officer**

## **The Great Britain - China Centre (Limited by Guarantee) Statement on Internal Control**

### **Scope of responsibility**

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievements of the Great Britain – China Centre (GBCC)'s purpose and objectives whilst safeguarding the public funds and assets for which I am personally responsible, in accordance with the responsibilities assigned to me in Government Accounting.

### **The purpose of the system of internal control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the GBCC's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised and to manage them efficiently, effectively and economically. The system of internal control has been in place at the GBCC for the year ended 31 March 2011 and up to the date of approval of the annual report and accounts, and accords with Treasury guidance.

### **Capacity to handle risk and the risk and control framework**

Mazars LLP were appointed internal auditors in March 2006 and are responsible for advising on internal control and risk management. They completed GBCC's fifth annual internal audit for 2010-11 and the Management Report was presented to the Audit Committee in April 2011. The high-level risk register was approved at the April 2011 Board meeting and included in the GBCC's Corporate Plan for 2011-12. The risk register is also reviewed regularly by the Audit Committee. During the year ended 31 March 2011 and up to the approval of the Annual Accounts, the following has taken place:

- \* The Audit Committee met regularly (three times since April 2010)
- \* The fifth Internal Audit Report (2010-11) was presented to the Audit Committee and concluded that in the areas that were audited, GBCC's control framework provides substantial assurance that risks material to the achievement of GBCC objectives are adequately managed and controlled.
- \* In the matter of expenditure of EU funds on programme work, GBCC has made a number of improvements to the control mechanisms for payment of invoices. In addition:
  1. The internal auditors, Mazars were asked to review procedures and concluded that the financial management of the EU programmes was operating effectively
  2. A Beijing-based firm of accountants, RSM Tenon has audited all payments within the on-going EU projects and provided advice on the procedures for authorising payments of Chinese-originating invoices. In addition, RSM Tenon will audit each of the year-end financial reports for the individual projects

Both of these reports give me added assurance and guidance as to where further improvements are needed.

## **The Great Britain - China Centre (Limited by Guarantee) Statement on Internal Control**

### **Review of effectiveness**

As Accounting Officer, I also have responsibility for reviewing the effectiveness of the system of internal control. In order to achieve an effective system of internal control, we have established a framework of regular management information, administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- \* comprehensive budgeting systems with an annual budget approved by the Board and reviewed and agreed by the Far Eastern Group of the Foreign and Commonwealth Office; and
- \* ongoing review of the accounting system of GBCC with necessary improvements being made to GBCC's management accounts and implementation of International Finance Reporting Standards for the financial accounts; and
- \* regular reviews by the Board of quarterly and annual financial reports which indicate financial performance against budget; and
- \* setting targets to measure financial and other performance; and
- \* formal project management disciplines; and
- \* a system of risk assessment and management; and
- \* an internal audit function provided by an independent firm of auditors which operates to standards defined in the Government Internal Audit Standards. The work of internal audit is informed by an analysis of the risk to which the GBCC is exposed and annual internal audit plans are based on this analysis. The analysis of risk is approved by me, reviewed by the Audit Committee and endorsed by the GBCC's Board. Reports are provided to the GBCC's Board, Far Eastern Group of the Foreign and Commonwealth Office and the Head of the Internal Audit Unit of the Foreign and Commonwealth Office; and
- \* the National Audit Office, GBCC's external auditor, reviews GBCC's systems and internal controls as part of its annual audit of GBCC's accounts.

My review of the effectiveness of the system of internal control includes the findings from both the work of the internal and external auditors. On this basis, I consider that the risk management, control and governance procedures and arrangements are adequate and effective enough to achieve management objectives.

Katie Lee  
**Executive Secretary and Accounting Officer**

## **The Great Britain - China Centre (Limited by Guarantee)**

### **THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE MEMBERS OF THE GREATBRITAIN CHINA CENTRE**

I certify that I have audited the financial statements of the Great Britain China Centre for the year ended 31 March 2011 under the Government Resources and Accounts Act 2000. These comprise the Statement of Comprehensive Net Expenditure and the Statement of Financial Position, the Statement of Cashflows, the Statement of Changes in Taxpayers Equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards as adopted by the European Union. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

#### **Respective responsibilities of the directors and auditor**

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. My responsibility is to audit, certify and report on the financial statements in accordance with the Government Resources and Accounts Act 2000. I conducted my audit in accordance with International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

In addition, I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income reported in the financial statements have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

#### **Opinion on Regularity**

In my opinion, in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

**The Great Britain - China Centre (Limited by Guarantee)**

**THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL**

**Opinion on Financial Statements**

In my opinion the financial statements:

- \* give a true and fair view of the state of the company's affairs as at 31 March 2011 and of its net expenditure for the period then ended;
- \* have been properly prepared in accordance with International Financial Reporting Standards as adopted by the European Union; and
- \* have been prepared in accordance with the Companies Act 2006.

**Opinion on other matters**

In my opinion:

- \* the part of the Remuneration Report to be audited has been properly prepared in accordance with the Government Financial Reporting Manual; and
- \* the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Matters for which I report by exception**

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- \* adequate accounting records have not been kept; or
- \* the financial statements and the part of the Remuneration Report to be audited are not in agreement with the accounting records or returns; or
- \* certain disclosures of directors' remuneration specified by law are not made; or

I have not received all of the information and explanations I require for my audit.

**Report**

I have no observations to make on these financial statements.

*Amyas C E Morse*

Date 30 June 2011

*Comptroller and Auditor General  
National Audit Office  
157-197 Buckingham Palace Road  
Victoria. London. SW1W 9SP*

**The Great Britain - China Centre (Limited by Guarantee)**  
**Statement of Comprehensive Net Expenditure for the year ended 31 March 2011**

	Notes	2011 £	2010 Restated £
<b>Income</b>			
Revenue from activities	2	751,211	1,066,896
Other revenue	3	<u>863</u>	<u>1,765</u>
		752,074	1,068,661
<b>Expenditure</b>			
Cost of activities	2	(513,526)	(1,035,917)
Staff costs	5	(329,786)	(334,410)
Administration expenses	4	(97,061)	(83,475)
		<u>(940,373)</u>	<u>(1,453,802)</u>
<b>Net Expenditure</b>		(188,299)	(385,141)
Taxation on interest received	6	(274)	(220)
Interest receivable		<u>1,211</u>	<u>1,066</u>
<b>Net Expenditure after Taxation and Interest</b>		<u>(187,362)</u>	<u>(384,295)</u>

**Continuing operations**

None of the company's activities were acquired or discontinued during the above two financial years

**Statement of total recognised gains and losses**

The company has no gains or losses other than the net expenditure for the above two financial years

The notes on pages 13 to 21 form part of these accounts

**The Great Britain - China Centre (Limited by Guarantee)**  
**Statement of Financial Position as at 31 March 2011**

	Notes	2011 £	2010 £
<b>Non-current assets</b>			
Property, plant and equipment	7	13,545	17,378
Intangible assets	8	<u>7,190</u>	<u>7,476</u>
		20,735	24,854
<b>Current assets</b>			
Trade receivables	9	180,130	126,212
Cash	10	<u>920,010</u>	<u>450,888</u>
		1,100,140	577,100
<b>Current liabilities</b>			
Trade payables and other current liabilities	11	<u>(898,559)</u>	<u>(380,391)</u>
<b>Net current assets</b>		201,581	196,709
<b>Total assets less current liabilities</b>		<u>222,316</u>	<u>221,563</u>
Provision for liabilities and charges	12	(19,000)	(100,885)
<b>Total assets less liabilities</b>		<u>203,316</u>	<u>120,678</u>
<b>Statement of changes in taxpayer's equity</b>			
Statement of Comprehensive Income		<u>203,316</u>	<u>120,678</u>

These accounts are exempt from the requirements of Part 16 of the Companies Act 2006 by virtue of section 482 (non-profit-making companies subject to public sector audit) of that Act.

The financial statements were approved by the Board on 29 June 2011

Peter Batey  
**Chairman**

Katie Lee  
**Executive Secretary and Accounting Officer**

The notes on pages 13 to 21 form part of these accounts

**The Great Britain - China Centre (Limited by Guarantee)**  
**Statement of Cash Flows for the year ended 31 March 2011**

<b>Statement of cash flows</b>	<b>Notes</b>	<b>2011 £</b>	<b>2010 £</b>
Net Expenditure for the year before interest and taxation		(188,299)	(385,141)
Adjustments for:			
Depreciation charges	7 & 8	8,098	8,460
Loss on disposal of non current assets		-	-
(Increase)/decrease in trade receivables and other current assets	9	(53,918)	77,294
Increase/(decrease) in trade payables and other current liabilities	11	518,168	(12,340)
Increase/(decrease) in provisions	12	(81,885)	97,885
Net cash outflow from operating activities		202,164	(213,842)
Cash flows from investing activities		937	845
Purchase of non current assets and intangible assets	7 & 8	(3,979)	(27,747)
Cash flows from financing activities		270,000	300,000
<b>(Decrease)/increase in cash and cash equivalents in the period</b>		<b>469,122</b>	<b>59,256</b>
Cash and cash equivalents at the beginning of period	11	450,888	391,632
Cash and cash equivalents at the end of period		<u>920,010</u>	<u>450,888</u>

The notes on pages 13 to 21 form part of these accounts

**The Great Britain - China Centre (Limited by Guarantee)**  
**Statement of Changes in Taxpayers Equity for the year ended 31 March 2011**

	<b>Reserves</b>
	<b>£</b>
<b>Changes in Taxpayers Equity for 2009-10</b>	
Balance at 31 March 2009	204,973
Statement of Comprehensive Net expenditure for 2009-10	(384,295)
Grant in aid received	300,000
Balance at 31 March 2010	<u>120,678</u>
<b>Changes in Taxpayers Equity for 2010-11</b>	
Statement of Comprehensive Net expenditure for 2010-11	(187,362)
Grant in aid received	270,000
Balance at 31 March 2011	<u>203,316</u>

The notes on pages 13 to 21 form part of these accounts

**The Great Britain - China Centre (Limited by Guarantee)  
Remuneration Report for the year ended 31 March 2011  
(Audited)**

GBCC has a personnel sub-committee responsible for advising on all aspects of staff recruitment, employment terms, conditions and remuneration. The committee is made up of the following members:

Chairman	- Peter Batey
Vice Chairman	- Hugh Davies
Vice Chairman	- Rodney Bickerstaffe (resigned December 2010)
Executive Secretary	- Katie Lee

The personnel sub-committee reviews the remuneration of all GBCC staff including the Executive Secretary based on annual appraisals carried out by the staff line managers.

The Executive Secretary's remuneration details are as follows:

	<b>2011</b>	<b>2010</b> <b>£</b>
Gross salary	72450	72,450
Accrued pension as at 31 March	20733	19,512
Accrued lump sum as at 31 March	62205	58,536
Real increase in pension	618	1,839
Real increase in lump sum	1833	5,518
Cash equivalent transfer value at 31 March	371000	365,700
Real increase in cash equivalent value funded by the employer	5000	28,298
Employee contributions	6390	6,174

No benefits in kind were paid. [2009-10 nil]

A non-pensionable bonus of £4,950 was paid in 2010-11[2009-10 nil] in respect of 2009-10 performance and is not included in Gross Salary.

The notes on pages 13 to 21 form part of these accounts

Katie Lee  
**Executive Secretary and Accounting Officer**

**The Great Britain - China Centre (Limited by Guarantee)**  
**Notes to the Accounts for the year ended 31 March 2011**

**1 Statement of accounting policies**

These financial statements have been prepared in accordance with the 2010-11 Government Financial Reporting Manual (FRM) issued by HM Treasury. The accounting policies contained in the FRM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FRM permits a choice of accounting policy, the accounting policy which is judged to be the most appropriate to the particular circumstances of the Great Britain China Centre (GBCC) for the purpose of giving a true and fair view has been selected. The particular policies adopted by the GBCC are listed below. They have been applied consistently in dealing with items that are considered material to the accounts.

**Accounting convention**

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards stated above.

**Non-current assets**

Non current assets costing over £1,000 are capitalised. Given their value, depreciated historic cost is used as a proxy for fair value for all categories of property, plant and equipment.

**Depreciation**

Depreciation is provided on all non-current assets at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Computer hardware	25% straight line depreciation on cost
Fixtures, fittings and office equipment	20% on the reducing balance

**Amortisation**

Software licences and related consultancy are valued at cost and are treated as intangible assets. They are amortised over 4 years on a straight line basis

**Foreign currencies**

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the net expenditure account.

**Pensions**

The company is a member of the Principal Civil Service Pension Scheme (PCSPS) and for accounting purposes, it is treated a defined contribution pension scheme. Contributions are charged to the net expenditure account as they become payable in accordance with the rules of the scheme.

**The Great Britain - China Centre (Limited by Guarantee)**  
**Notes to the Accounts for the year ended 31 March 2011**

**Income and Expenditure**

Income is recognised in the period in which it is receivable and expenditure is charged in the period to which it relates. GBCC only operates through one segment.

Income consists of project funding for its activities. Grant in aid received from the FCO is treated as financing through Changes in Taxpayers Equity.

The cost of unpaid leave is accrued at the end of the financial year.

Bad debt provisions are only made on specific bad debts.

GBCC activities are funded by external project grants and not from GBCC funds. The activities do not generate revenues although a management charge is made by the GBCC for project management.

<b>2 Analysis of activities</b>	<b>Income</b>	<b>Expenditure</b>	<b>2011 Net</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Information services	4016	2861	1,155
Lawyers law	37713	38130	(417)
Judges training - 13th year	141263	126263	15,000
Judges training - 12th year	29578	32475	(2,897)
Shanghai expo law event	12897	12410	487
Judicial seminar	0	8315	(8,315)
Death penalty project 2	0	-81745	81,745
Death penalty project 3	154065	117664	36,401
Torture project 2	218842	171883	46,959
Freedom of expression project	32046	32046	0
All party parliamentary china group (APPCG)	22921	21829	1,092
Mental health project	29144	29144	-
Project development	3431	2251	1,180
Management fees	65295	0	65,295
	<u>751,211</u>	<u>513,526</u>	<u>237,685</u>

The death penalty project 2 includes £81,885 of unused provision for irrecoverable expenditure which has been written back.

**The Great Britain - China Centre (Limited by Guarantee)**  
**Notes to the Accounts for the year ended 31 March 2011**

Analysis of activities	Income Restated £	Expenditure Restated £	2010 Net £
Information services	3,934	3,934	-
Public finance management	63,143	57,371	5,772
Death penalty judges training	61,778	53,319	8,459
Death penalty Yunnan pilot	48,746	39,471	9,275
Lawyers law	103,526	94,195	9,331
Judges training - 13th year	161,550	161,550	-
Judges training - 12th year	26,471	11,471	15,000
Open trial visit	2,247	1,661	586
Enforcement visit	2,200	963	1,237
Death penalty project 2	222,881	324,164	(101,283)
Death penalty project 3	135,127	107,397	27,730
Torture project 1	-	11,847	(11,847)
Torture project 2	199,511	152,388	47,123
Project development	-	16,186	(16,186)
Management fees	35,782	-	35,782
	<u>1,066,896</u>	<u>1,035,917</u>	<u>30,979</u>

There has been a restatement of income and expenditure to exclude management fees and salary recoveries which had previously been shown within Projects Income and Expenditure, and shown separately. There is no change in the net position.

The death penalty project 2 income was reduced by a provision of £97,885 to account for the expected claw back of funding due to the irrecoverable expenditure on this project - Note 12.

The death penalty project 2 expenditure also included a bad debt for the amount of £88,636 arising from the irrecoverable expenditure on the final claim for project funding from the contracting authority.

3 Other Revenue	2011 £	2010 £
Forex gain/(loss)	615	718
Miscellaneous	248	1,047
	<u>863</u>	<u>1,765</u>

4 Administration expenses	2011 £	2010 £
Running costs	21,346	21,081
Rent and service charges	48,463	47,070
Auditors' remuneration	9,500	5,027
Internal auditor's remuneration	4,739	5,837
Depreciation & amortisation	8,098	8,460
Employee benefit accruals	4,915	(4,000)
	<u>97,061</u>	<u>83,475</u>

Of the £9,500 Auditors' remuneration, £8,000 relates to the current year audit fee and £1500 to the prior year audit fee not accrued in the relevant year. The audit fee for 2009/10 was £6,400. No non audit work has been carried out.

**The Great Britain - China Centre (Limited by Guarantee)**  
**Notes to the Accounts for the year ended 31 March 2011**

<b>5 Staff costs</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Wages and salaries	258,992	261,379
Social security costs	21,284	22,172
Other pension costs	<u>49,510</u>	<u>50,859</u>
	<u>329,786</u>	<u>334,410</u>

All staff are permanent UK staff

**Average number of employees during the year**

	<b>2011</b>	<b>2010</b>
Administration and activities	6	8

Included in total salaries are the Executive Secretary's salary of £72,450 (2009-10 £72,450) which excludes a non-pensionable bonus of £4,950. The Executive Secretary is a member of the Centre's non-contributory pension scheme.

The Great Britain China Centre was admitted to the Principal Civil Service Pension Scheme (PCSPS) on 1 September 2002. The accrued benefits for staff members of the Centre's previous by-analogy scheme were transferred to the PCSPS. It is a condition that on admission to the PCSPS, the centre is required to pay each year an accruing superannuation liability charge for the staff members in the scheme. The charge for the year was £49,510 (2009/10 - £50,859).

**The Great Britain - China Centre (Limited by Guarantee)**  
**Notes to the Accounts for the year ended 31 March 2011**

<b>6 Tax on interest received</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
UK corporation tax	274	220

<b>7 Property, plant &amp; equipment</b>	<b>Computers</b>	<b>Fixtures &amp; Fittings</b>	<b>Office Equipment</b>	<b>Total</b>
		<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>				
At 1 April 2010	33,298	18,836	8,006	60,140
Additions	1,726	-	-	1,726
Disposals	(12,876)			(12,876)
At 31 March 2011	<u>22,148</u>	<u>18,836</u>	<u>8,006</u>	<u>48,990</u>
<b>Depreciation</b>				
At 1 April 2010	20,916	15,760	6,086	42,762
Charge for the year	4,560	615	384	5,559
Disposals	(12,876)			(12,876)
At 31 March 2011	<u>12,600</u>	<u>16,375</u>	<u>6,470</u>	<u>35,445</u>
<b>Net book value</b>				
At 31 March 2011	<u>9,548</u>	<u>2,461</u>	<u>1,536</u>	<u>13,545</u>
At 31 March 2010	<u>12,382</u>	<u>3,076</u>	<u>1,920</u>	<u>17,378</u>

<b>Property, plant &amp; equipment</b>	<b>Computers</b>	<b>Fixtures &amp; Fittings</b>	<b>Office Equipment</b>	<b>Total</b>
		<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>				
At 1 April 2009	16,797	17,558	8,006	42,361
Additions	16,501	1,278	-	17,779
Disposals	-	-	-	-
At 31 March 2010	<u>33,298</u>	<u>18,836</u>	<u>8,006</u>	<u>60,140</u>
<b>Depreciation</b>				
At 1 April 2009	16,247	14,991	5,557	36,795
Charge for the year	4,669	769	529	5,967
Disposals				0
At 31 March 2010	<u>20,916</u>	<u>15,760</u>	<u>6,086</u>	<u>42,762</u>
<b>Net book value</b>				
At 31 March 2010	<u>12,382</u>	<u>3,076</u>	<u>1,920</u>	<u>17,378</u>
At 31 March 2009	<u>550</u>	<u>2,567</u>	<u>2,449</u>	<u>5,566</u>

There were no investments, finance costs and third party assets as at 31st March 2011.

**The Great Britain - China Centre (Limited by Guarantee)**  
**Notes to the Accounts for the year ended 31 March 2011**

<b>8 Intangible assets</b>	<b>Total £</b>	
<b>Cost</b>		
At 1 April 2010		9,968
Additions		2,253
Disposals		-
At 31 March 2011		<u>12,221</u>
<b>Amortisation</b>		
At 1 April 2010		2,492
Charge for the year		2,539
At 31 March 2011		<u>5,031</u>
<b>Net book value</b>		
At 31 March 2011		<u>7,190</u>
At 31 March 2010		<u>7,476</u>
<b>Cost</b>		
At 1 April 2009		-
Additions		9,968
Disposals		-
At 31 March 2010		<u>9,968</u>
<b>Amortisation</b>		
At 1 April 2010		-
Charge for the year		2,492
At 31 March 2011		<u>2,492</u>
<b>Net book value</b>		
At 31 March 2010		<u>7,476</u>
At 31 March 2009		<u>-</u>

There were no intangible assets as at 31 st March 2009. The additions in 2009-10 were made up of labour costs for the GBCC IT upgrade.

<b>9 Trade receivables and other current assets</b>	<b>2011 £</b>	<b>2010 £</b>
Trade receivables	92,505	111,780
Prepayments and accrued income	<u>87,625</u>	<u>14,432</u>
	<u>180,130</u>	<u>126,212</u>

**The Great Britain - China Centre (Limited by Guarantee)**  
**Notes to the Accounts for the year ended 31 March 2011**

<b>10 Cash</b>	<b>At 1 April 2010 £</b>	<b>Cash flows £</b>	<b>At 31 March 2011 £</b>
Cash	450,888	469,122	920,010

<b>11 Trade payables and other current liabilities</b>	<b>2011 £</b>	<b>2010 £</b>
Corporation tax	274	220
Other taxes, social security costs & pension costs	8,605	1,520
Other payables	31,883	17,622
Accruals and deferred income	857,797	361,029
	<u>898,559</u>	<u>380,391</u>

**12 Provision for liabilities and charges**

A provision of £3,000 made for an early retirement pension liability in 2008/09 remains a potential liability.

Following a revised final demand of £16,000 from the EU for the death penalty project 2 irrecoverable expenditure, an accrual has been made for this amount and £81,885, the balance of provision not required, has been written back to the Statement of Net Expenditure.

	<b>2011 £</b>	<b>2010 £</b>
Balance brought forward	100,885	3,000
Provided in the year	0	97,885
Provision not required and written back	(81,885)	-
	-	-
Balance carried forward	<u>19,000</u>	<u>100,885</u>

**The Great Britain - China Centre (Limited by Guarantee)**  
**Notes to the Accounts for the year ended 31 March 2011**

**13 Operating lease commitments**

Commitments under operating leases to pay rentals during the year following the year of these accounts are given in the table below, analysed according to the period in which the lease costs are paid. GBCC entered into a new six month lease agreement effective from 25th March 2011 to 24 September 2011. There are no other commitments beyond this date.

	<b>Buildings 2011 £</b>	<b>Buildings 2010 £</b>
Within one year	14,546	27,928
Between one and five years	-	-
	<u>14,546</u>	<u>27,928</u>

**14 Related party transactions**

The Foreign & Commonwealth Office (FCO) is regarded as a related party. GBCC is an Executive Non Departmental Government Body (NDPB) and in 2010/11, received £270,000 Grant in Aid [2009/10 £300,000] from the FCO and had various other material transactions with it.

The Ministry of Justice is also regarded as a related party and in 2010/11 GBCC received £190,000 [2009/10 £190,000] to run the Judges Training Programme.

The UK China Forum (UKCF) is also regarded as a related party. A GBCC Director and the Accounting Officer are Board Members of the UKCF Board. In 2010/11 administration fees were receivable from the UKCF of £60,000 (2009/10 £30,000) and the GBCC had £39,914 of recoverable expenses [2009/10 £28,822] from the UKCF. No debts were written off.

The All Party Parliamentary China Group (APPCG) is also regarded as a related party. The GBCC provides employee services to the APPCG and this is governed by a memorandum of understanding between GBCC and the APPCG. The transactions for employee services with the APPCG for 2010/11 amounted to £22,921[2009/10 Nil] including a management fee of £1,091. There was also £290 of recoverable expenses(2009/10 Nil ) from the APPCG

The Great Britain China Educational Trust (GBCET) is also regarded as as a related party. The GBCC provides employee services to the GBCET. The transactions for employee services with the GBCET for 2011/12 amounted to £6196 (2009/10 £5782). There was also £253 of recoverable expenses(2009/10 £330) from the GBCET.

**15 Financial Instruments**

The financial assets of the GBCC include trade debtors, other receivables and cash, and these are recorded at their carrying value.

Appropriate provisions/write offs for estimated irrecoverable amounts are recognised in the statement of comprehensive expenditure where there is evidence that the asset is impaired.

Financial liabilities include trade creditors and accruals and these are valued on recognition.

The GBCC cash requirements are agreed at least a year in advance and so the liquidity position is controllable. There is some credit and market risk but these are for relatively small amounts.

**The Great Britain - China Centre (Limited by Guarantee)**  
**Notes to the Accounts for the year ended 31 March 2011**

**16 Guarantee Status**

The company is limited by guarantee and in the event of a winding up, each Ordinary Member is liable to contribute an amount not exceeding £1.

**17 Events after the reporting Period**

There are no events after the reporting period.



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