
The Great Britain China Centre

Annual Report and Accounts 2013-14

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

Ordered to be printed by the House of Commons on 10 July 2014

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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 2014**

DIRECTORS

Mr Peter Batey OBE	- Chairman
Mr Hugh Davies CMG	- Vice Chairman
Ms Lorna Ball	- Vice Chairman
Sir Christopher Hum	- Vice Chairman
Mr Martin Davidson	
Mr Christopher Fitzgibbon	- Honorary Treasurer
Ms Clare Hammond	Resigned 30 November 2013
Mr John Hughes	
Ms Joanna Roper	Resigned 27 January 2014
Ms Madeleine Sturrock	
Mr Gareth Edward Ward	Appointed 1 February 2014
Mr Richard Graham MP	
Mr Duncan Hames MP	
Rt Hon Liam Byrne MP	

Co-opted Members

Mr Rod Wye

SECRETARY

Mr Richard Pascoe

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 period ended 31 March 2014. These accounts also include the results for the UK-China Forum which is wholly controlled by the Directors of the Great Britain - China Centre (GBCC). 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 HM Treasury Financial Reporting Manual. None of the Directors were remunerated.

The Great Britain - China Centre

The GBCC 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, professional, economic, educational, legal, judicial and other contacts between Britain and China and to encourage mutual knowledge and understanding.

Management Commentary:

Results

The results for the year are set out on page 14 and take into account the requirement under the Government Financial Reporting Manual that Grant-in-Aid is to be treated as financing and is taken directly to reserves as opposed to being recognised as income. Accordingly the deficit for the year, before accounting for Grant-in-Aid is £240,934 (2012-13 £152,830).

This deficit is offset against the Grant-in-Aid, which leaves total funds of £397,621 to be carried forward at the end of the year (2012-13 £394,387). The Directors consider the state of the company's affairs to be satisfactory.

Board of Directors and Company Secretary

Directors who served on the Board during the year and who were Directors under the Companies Act 2006 are identified as Directors on page 1 of the Report and Accounts.

Audit & Risk Assurance Committee

GBCC's Audit Committee ensures that GBCC adheres to the highest standards of propriety in the management of public funds and also promotes the development of internal control systems. During the year ended 31 March 2014 membership of the Audit Committee comprised:

Chris Fitzgibbon	Chairman
Lorna Ball	
Clare Hammond	Resigned 30 November 2013
Sir Christopher Hum	Appointed 18 April 2013

The Great Britain - China Centre (Limited by Guarantee)

Directors' Report

Equal Opportunities

GBCC is an equal opportunities employer and is committed to ensuring that there will be no unlawful discrimination against any person who works for or with the GBCC. The application process for advertised job and Board vacancies at GBCC is designed to ensure that applications from all candidates, regardless of disability, ethnicity, sexuality or gender, are given full and fair consideration. The Equality Act 2010 is followed and GBCC will make reasonable adjustments for people with disabilities. Decisions on recruitment, selection, training, promotion and career management are based solely on objective and job related criteria. If a member of staff becomes disabled while working at GBCC, everything possible will be done to ensure they continue working for us.

Employee Information

Each member of staff has their performance against agreed objectives appraised annually. An integral part of this review requires the identification of training needs and the development of a training programme to address these needs. Consultation is provided to employees on an ad hoc basis as necessary.

Pension Liabilities

The treatment of pension liabilities is discussed under note 1 in the notes to the accounts.

Sickness Absence data

The average number of sick days taken by staff in the year was 1.27 (2012-13 7.75)

Awareness of Relevant Audit Information

The Directors confirm that:

* as far as 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 auditors are aware of that information.

The Comptroller and Auditor General is appointed as statutory auditor for the GBCC accounts and that the auditors have not conducted any non statutory audit work. The fee for the statutory audit was £6,000 (2012-13 £6,000).

Creditors

The average time taken to pay invoices in the current year was 22.76days (2012-13 29.90 days) while the average amount owed to trade creditors in days at 31 March 2014 was 92(2012-13 11.61 days) This figure is very high owing to the very large balance outstanding at 31 March 2014.

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

Data Loss

There have been no personal data related incidents during the year.

Going Concern

Funding with the FCO has now been confirmed at £300,000, which will cover 65% of core operating costs. The balance will be covered by earnings from externally-funded projects and sponsorship.

Events since Year End

There have been no significant events since year end.

This report was approved by the Board on 12 June 2014.

Richard Pascoe
Executive Director, Company Secretary and Accounting Officer

The Great Britain-China Centre (Limited by Guarantee) Strategic Report

GBCC was established in 1974 as a non-departmental public body (NDPB) supported by the FCO to build UK-China relations. Initially acting as intermediary for a broad range of relationships – educational, cultural and scientific – it has since narrowed its role to focus mainly on political dialogue and the development of the rule of law, good governance and to promote sustainable development in China.

As a NDPB under the supervision of the FCO, GBCC aligns its work with the FCO's strategy for relations with China while remaining independent of government with its own governing Board of Directors. The 2013 Triennial Review of GBCC concluded that: **"GBCC, with its Chinese and other partners, has produced a series of outstanding projects with real and lasting results in a number of sensitive rights-related rule of law fields. It has built up a unique set of relationships and deep trust which enables it to engage in complex areas where Chinese partners are seeking change and development. This is valuable..."**

GBCC has developed close relationships with Chinese ministries, the judiciary and research bodies over four decades, working with reform-minded academics and others to influence policy or legislative change. It has earned a reputation as a trusted partner delivering projects successfully in support of policy priorities of both sides, often in politically sensitive areas. Its projects run continuously, unaffected by vicissitudes in the UK-China political relationship. GBCC is a small, flexible and bilingual expert organisation of only six employees, with in-house expertise in China's legal, judicial and media development, as well as project management expertise to deliver measured outcomes to high quality standards.

The GBCC has developed a track-record on issues ranging from criminal justice reform, human rights, labour standards and freedom of expression to public finance, leadership training, government engagement with civil society and corporate social responsibility as well as managing political dialogues. GBCC's work contributes to the "soft power" of the UK as a source of best practice and a welcome comparator for Chinese officials and academics as new rule of law reforms and good governance practices are introduced. GBCC's programmes provide the UK with a platform to engage and make interventions in key areas of concern.

The Triennial Review recommended that consideration be given to recognizing the GBCC's effectiveness as a delivery partner of the FCO and reinforcing its core grant-in-aid, which amounted to £243,000 in 2013-14 after two 10% cuts in funding. Moreover the Review **"challenges the basic assumption in the resourcing of the network shift in China that the best and most cost-effective way to deliver all the FCO objectives is by increasing headcount in the China network (Embassy and Consulates) with all the additional contingent liability that that brings."**

The GBCC operates to a 3-year plan designed in partnership with the FCO China Desk to meet HMG and FCO objectives in China, consistent with the availability of project funding. GBCC believes that there is scope to develop this plan in a more ambitious manner as HMG and the FCO further develop future China strategy.

The reformist direction approved at the recent "Third Plenum" leadership meeting in Beijing, including the need for continued legal system and judicial reform and greater governmental transparency has created fertile ground to expand UK influence.

GBCC's mission is to develop UK-China relations and our common prosperity by deepening understanding through dialogue and promoting the rule of law, good governance and sustainable development. This mission serves not only the human rights agenda of UK foreign policy but also HMG's prosperity agenda, as peaceful transition towards the rule of law is not only the cornerstone of political and economic progress in China, but also underpins sustainable global economic growth.

In 2013-14, GBCC focussed its efforts on building a portfolio of new project proposals to rebuild its pipeline of future work, and on expanding its work as a source of good governance expertise to be delivered through training courses for Chinese customers, working in partnership with universities, and in expanding its political dialogue work after a difficult period in UK-China relations.

GBCC's 3-year EU-funded project to strengthen legal protection for Chinese journalists and explore issues affecting media regulation in the internet age was extended for a further six months. This project, led by GBCC in collaboration with expert teams from Oxford, Peking and Renmin Universities, was funded by a €1-million grant from the European Union.

R Pascoe
Executive Director, Accounting Officer and Company Secretary

**The Great Britain - China Centre (Limited by Guarantee)
Remuneration Report for the year ended 31 March 2014**

GBCC has a Personnel 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
Board Member	- Madeline Sturrock
Executive Director	- Richard Pascoe

Richard Pascoe, the Executive Director, is employed on a fixed term contract with a review after 2 years and an optional extension for a third year, subject to mutual agreement.

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 Director's remuneration details as detailed below have been subject to Audit:

	2014		2013	
	R Pascoe £	K Lee £	R Pascoe £	K Lee £
Gross salary on full time equivalent basis	88,750	-	87,750	72,450
Accrued pension as at 31 March	-	-	-	24,341
Accrued lump sum as at 31 March	-	-	-	73,022
Real increase in pension	-	-	-	1,897
Real increase in lump sum	-	-	-	5,690
Cash equivalent transfer value at 31 March	-	-	-	471,000
Real increase in cash equivalent value funded by the employee	-	-	-	33,000
Employee contributions	-	-	-	4,064
No benefits in kind were paid. [2012-13 nil]				
No bonus was paid to Richard Pascoe in the current year. £8,000 was paid to Katie Lee in 2012-13 in respect of 2011-12 performance and is not included in Gross Salary.				

The government financial reporting manual now requires the banded remuneration of the highest paid director and the ratio between this and the median remuneration of the reporting entities staff for all those in post at year end.

The calculation is based on the Full Time Equivalent staff of the reporting entity at the 31 March 2014 on an annualised basis and includes any temporary staff employed during the year.

	2014 £	2013 £
Median total of Employees (exc director)	33,252	35,307
Pay multiple at 31 March	2.67	2.48

The pay multiple has increased because the median salary has reduced during the current financial year. The pay data in the remuneration report is subject to audit.

The notes on pages 18 to 22 form part of these accounts

Richard Pascoe
Executive Director, Company Secretary and Accounting Officer

Date

12-Jun-14

GREAT BRITAIN CHINA CENTRE (Limited by Guarantee)

Governance Statement

1. Triennial Review of GBCC

The Great Britain China Centre was independently assessed in a Triennial Review published before Parliament in July 2013. The Review endorsed the value of GBCC's work to HMG and to the Foreign and Commonwealth Office and made a series of recommendations which have now been implemented, or are in the process of being implemented, by the Executive Director with the active support and involvement of the GBCC Board.

In terms of governance, the Review *"concludes that GBCC continues to maintain good levels of accountability; does have effective financial management systems in place; is open, transparent, accountable and responsive and therefore complies with recognised principles of good governance"*.

2. Risk Management

Throughout the financial year, the issue of GBCC funding remained the first and main risk identified by the Executive Director in his quarterly Risk Register report, which since December 2012 has been discussed in detail at each meeting of the Audit and Risk Assurance Committee and at each GBCC Board meeting.

The Triennial Review pointed out that GBCC provided excellent value for money, by leveraging up its grant-in-aid by securing EU and other external funding and corporate sponsorship. But it said the GBCC *"as currently resourced is at the edge of sustainability: a tiny organisation is less able to survive year-on-year salami slicing than a large department"*. The Triennial Review recommended that GBCC funding be "reinforced" by the FCO.

The review also called for closer alignment of the GBCC Corporate Plan with the FCO's China strategy. As a result a new 3-year Corporate Plan was drawn up and agreed with the FCO after scrutiny by the Board and a ministerial decision was taken to restore the grant in aid for 2014-15 to its previous level of £300,000 from £243,000 in 2013-14.. The Board established a Sponsorship Committee to work with the Director in seeking more corporate sponsorship for GBCC's activities. As suggested in the Triennial Review, a deputy director was rehired to focus on building a pipeline of new projects designed to attract external funding from e.g. the EU or other European countries working on rule of law development issues in China.

Beijing's new restrictions on overseas travel by officials made GBCC's plan to earn revenue from China-financed training programmes for young leaders, judges and others not immediately feasible, although good progress was made towards establishing this additional line of business more firmly in future.

Another major risk remained the political risk associated with project work in China involving human rights, and the situation was kept under close observation and adjustments are made routinely to project work in the light of changing political circumstances. The safety of staff and partners engaged in China project work remains paramount and project managers were given repeated advice on the importance of designing projects that work with the grain of reform in China, building win-win partnerships realistically and cautiously within the political context, seeking advice from the FCO and others as required. In this way GBCC was able to maintain its track record of achieving measurable results in sensitive areas such as death penalty reform and detainees rights. GBCC's operating model is to design projects that are feasible and practical, based not only on UK or EU policy priorities for China but also on a thorough and deep understanding of China's own reform plans, choosing high-quality partners with integrity and strong track records of success.

GBCC's funding in past years has been augmented by winning EU project funding. One major risk discussed regularly at Board meetings has been the risk of such funding becoming much harder to obtain now that China is perceived in Europe as rich and successful. But the provision of assistance to China as it further reforms its legal and judicial system remains in the national interest of leading EU nations as well as the UK.

Other risks identified in the Risk Register reviewed quarterly by the Board included the risk of staff turnover, which is being addressed through training and other means, under the active supervision of the Personnel and Appointments Committee of the Board, and business continuity planning. A major reassessment of GBCC's IT strategy was initiated to address business continuity, leveraging the opportunity to introduce Cloud services in a cost-effective manner, under the guidance of the Audit and Risk Assurance Committee of the Board.

3. Overview of Board Structure and Performance

GBCC, as an executive non-departmental public body (NDPB), is governed by a Board of Directors and three sub-committees, the Audit and Risk Assurance Committee, the Personnel and Appointments Committee and a new Sponsorship Committee.

Members of the public apply to join the GBCC Board in response to a public advertisement and are chosen by the other Board members from open competition. They are chosen for their experience on UK-China relations in various fields, for their governance expertise and for the mix of skills and knowledge that the Board brings to GBCC. The Board co-opts additional members from time to time to ensure that it has the optimum level of skills and knowledge available to support GBCC in its work.

The present volunteer Board of 14, led by a Chairman and three Vice-Chairmen, has played an active role beyond the quarterly Board meetings, with individual members engaged in assisting the Executive Director actively on a variety of issues. Three Board positions were advertised to replace members stepping down, and at the time of writing interviews were being held with a strong field of candidates to select replacements.

The Chairman of the GBCC Board is an appointment of the Secretary of State for Foreign and Commonwealth Affairs. The Vice-Chairmen and Chairman of the Audit and Risk Assurance Committee are elected from within the Board membership as is membership of the three sub-committees. The current GBCC Board Chairman is due to step down in late 2014 after 10 years in the post and the FCO is engaged in the process of advertising for a replacement and developing a shortlist of candidates for ministerial appointment, in consultation with senior members of the existing Board.

The frequency of Board meetings was increased to four per year from three, at the request of the Executive Director, and the old management meetings of a subset of members discontinued from the start of the year.

In GBCC's Articles of Association, a company limited by guarantee, it is stipulated that, in addition to the nominee members, the membership of the Board shall comprise not less than 11 and not more than 20 members elected by the Board of whom not less than five shall be members of Parliament.

There are two nominee members, one representing the FCO and one the British Council. Members of the Board have corporate responsibility for ensuring that the GBCC complies with all statutory or administrative requirements for the use of public funds. Other important responsibilities of Board members include:

- Ensuring that high standards of corporate governance are observed at all times.
- Establishing the overall strategic direction of the organisation within the policy and resources framework agreed with the responsible government minister
- Ensuring that, in reaching decisions, the Board has taken into account any guidance issued by the sponsoring government department and the recommendations of Triennial Reviews as appropriate.

A full list of Board members and their details is presented on page 1 of the GBCC report and statements. During 2013-14 the number of Board and Committee meetings with individual attendance was as follows:

Great Britain-China Centre (Limited by Guarantee)
Governance Statement

Director	Board(4)		Audit and Risk Assurance Committee(3)		Personnel Committee(1)	
	Eligible	Attended	Eligible	Attended	Eligible	Attended
L Ball	4	4	3	3	-	-
P Batey	4	4	-	-	1	1
L Byrne	4	3	-	-	-	-
M Davidson	4	2	-	-	-	-
H Davies	4	4	-	-	1	1
C Fitzgibbon	4	3	3	3	-	-
R Graham	4	4	-	-	-	-
D Hames	4	2	-	-	-	-
C Hammond	3	2	2	2	-	-
J Hughes	4	4	-	-	-	-
C Hum	4	2	3	3	-	-
R Pascoe	4	4	3	3	1	1
J Roper	4	1	-	-	-	-
M Sturrock	4	3	-	-	1	1
R Wye	4	4	-	-	-	-
Totals	59	46	14	14	4	4
Percentage		78%		100%		100%

There were no formal meetings of the Sponsorship Committee, whose three members, John Hughes, Richard Graham MP and Liam Byrne MP, held discussions separately with the Executive Director on a regular basis to manage its affairs.

The Board meetings are governed by the GBCC Articles of Association which determine that a meeting is quorate if seven or more members attend. There is a Management Statement and Financial Memorandum between the FCO and GBCC, and a one-page MOU agreed between GBCC and the FCO China Department as recommended by the Triennial Review.

This year the Board played a key role in working with the Executive Director to implement the recommendations of the Triennial Review and ensuring appropriate alignment of the new GBCC Corporate Plan with the FCO's China strategy. The Audit Committee and Personnel Committee members played key roles in advising and guiding the work of the Executive Director to address critical management issues, and the three members of the newly-established Sponsorship Committee provided active guidance and support to the Executive Director on an individual basis to raise additional corporate funds – which remains work in progress and an important priority for 2014-15.

GBCC consolidates into its annual accounts the accounts of another legal entity, UK China Forum Ltd, a not-for-profit organisation governed by a separate Board of Trustees which has no staff of its own but contracts its management to GBCC. UK China Forum Ltd, founded many years ago to broaden and deepen UK-China dialogues in various fields, now runs just two regular activities, the UK-China Leadership Forum, an annual political dialogue between the International Department of the Chinese Communist Party and a cross-party delegation of UK members of Parliament, and the UK-China Young Leaders Roundtable, a similar activity with the Communist Party's youth wing, the Communist Youth League, organised in partnership with the All-China Youth Federation. These activities are funded by corporate sponsorship on the UK side. The acting Chairman of UK China Forum Ltd is Peter Batey, OBE, who is chairman of GBCC, and the other trustees are Richard Pascoe, GBCC Executive Director, Katie Lee, former GBCC Executive Director, Sir David Brewer, honorary Vice-President and former Chairman of GBCC and former Chairman of the China Britain Business Council, and Lord Powell of Bayswater, Co-Chairman of the Asia Task Force and former Chairman of the China Britain Business Council. The Executive Director remained concerned about the level of governance overhead expected of GBCC as a small, independent organisation and the challenges of needing to keep this in proportion to the management time required to deliver the organisation's core objectives. Advice on this issue was sought from FCO internal audit within the framework of the Audit and Risk Assurance Committee's deliberations, and

discussions were held with the FCO on how to make greater use of the expertise and resources available within the FCO's Shared Service Centre in Milton Keynes, as recommended by the Triennial Review. Further work was due to take place on this in 2014-15.

4. System of Internal Control

As Accounting Officer, I have responsibility for maintaining a sound system of internal control and governance that supports the achievement of the GBCC's purpose and objectives whilst safeguarding public funds and assets for which I am personally responsible, in accordance with the responsibilities assigned to me in *Managing Public Money*.

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 provides reasonable but 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 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. I confirm that the system of control has been in place at GBCC throughout the financial year ended March 31, 2014 and up to the date of approval of the management accounts, and accords with HM Treasury guidance.

GBCC operates administrative procedures including as far as possible the segregation of duties in a small organisation, and a system of delegation and accountability in proportion to our size. In particular it includes:

- The drafting by the Finance Manager of an annual budget prepared on a prudent basis, reviewed and amended by the Executive Director and approved by the Board and agreed by the China Department of the FCO;
- Regular scrutiny by the Audit and Risk Assurance Committee and the Board of the management accounts and the annual financial report, which are audited by the National Audit Office.
- Formal project management disciplines in line with the requirements of the FCO and EU project procedures.
- A system of risk assessment and management.
- The monthly sign-off of the accounts by the Executive Director and regular discussion with the Finance Manager on all significant issues.

The Audit and Risk Assurance Committee (ARAC) is managed diligently by a senior and highly experienced financial expert with an accounting background, in his role as Honorary Treasurer of the GBCC. The NAO takes a substantive testing approach to the testing of GBCC's financial statements as part of the annual audit, while taking into account any work done by internal audits that may take place during the year.

The FCO Internal Audit Department, which now has responsibility for internal audit within GBCC, has proved to be a welcome source of advice and know-how, and helped to improve communication with the different parts of the FCO.

My review as Accounting Officer, therefore, of the effectiveness of the system of internal control is informed by the oversight of the ARAC and I am also informed by the work of the NAO when it reviews GBCC's system of internal controls as part of its annual audit of GBCC's accounts, and take advice as necessary from Internal Audit.

I confirm that the GBCC complies with the Corporate Governance Code for central government departments in so far as the code is relevant to an organisation of GBCC's size and circumstances.

Richard Pascoe

Date: 12 June 2014

Executive Director, Company Secretary and Accounting Officer

The Great Britain - China Centre (Limited by Guarantee)

Statement of the Secretary as Accounting Officer, and the Directors' Responsibilities

Under the Government Resources and Accounts Act 2000, the Secretary of State (with the consent of HM Treasury) has directed the GBCC to prepare for each financial year a statement of accounts in the form and on the basis set out in the *Accounts Direction Handbook*. The accounts are prepared on an accruals basis and must give a true and fair view of the state of the affairs of the GBCC and of its income and expenditure, changes in taxpayer's equity and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the *Government Financial Reporting Manual*, and company law requires the Company Secretary and Directors to comply in a similar manner as follows:

- * observe the Accounts Direction issued by HM Treasury, including the relevant accounting and disclosure requirements and apply them consistently;
- * make judgements and estimates on a reasonable basis;
- * state whether applicable accounting standards as set out in the *Government Financial Reporting Manual* have been followed, and disclose and explain any material departures in the accounts; and
- * prepare the accounts financial statements on a going concern basis

The Accounting Officer of the Foreign and Commonwealth Office has designated the Secretary as Accounting Officer of the Great Britain - China Centre. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the Great Britain - Centre's assets, are set out in *Managing Public Money* published by HM Treasury and in the Companies Act 2006.

The Company Secretary and Directors are similarly responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time, the financial position of the company and 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 fraud and other irregularities.

The Great Britain - China Centre (Limited by Guarantee)

THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE MEMBERS OF THE GREAT BRITAIN-CHINA CENTRE

I certify that I have audited the financial statements of the Great Britain - China Centre for the year ended 31 March 2014 under the Government Resources and Accounts Act. The financial statements comprise: the Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers Equity and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

Respective responsibilities of the Board, Accounting Officer and auditor

As explained more fully in the Statement of the Secretary as Accounting Officer, and the Directors' Responsibilities, the Board and the Accounting Officer 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 group and parent companies circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Great Britain-China Centre and the overall presentation of the financial statements. In addition, I read all the financial and non-financial information in the Directors Report, the Strategic Report, the Governance Statement and the part of the Remuneration Report that is not audited to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my certificate.

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

Opinion on Regularity

In my opinion, in all material respects the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements 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 group's and the parent company's affairs as at 31 March 2014 and of the net expenditure for the year then ended; and
- * the financial statements have been properly 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 and Strategic 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 returns adequate for my audit have not been received from branches not visited by my staff; or
- * the financial statements and the part of the Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- * I have not received all of the information and explanations I require for my audit; or
- * the Governance Statement does not reflect compliance with HM Treasury's guidance.

Report

- * I have no observations to make on these financial statements.

Amyas C E Morse
Comptroller and Auditor General

Date: 24 June 2014

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

The Great Britain - China Centre (Limited by Guarantee)

Consolidated Statement of Comprehensive Net Expenditure for the Period Ended 31 March 2014

	Notes	Consolidated		Great Britain - China Centre	
		2014	2013	2014	2013
		£	£	£	£
Income					
Revenue from activities	2	587,458	1,144,284	541,364	1,054,154
Exchange Gain/(Loss)		(12,882)	4,457	(12,882)	4,457
Other revenue	3	313	3,617	313	3,617
		<u>574,889</u>	<u>1,152,358</u>	<u>528,795</u>	<u>1,062,228</u>
Expenditure					
Cost of activities	2	(443,912)	(868,577)	(398,832)	(820,567)
Staff costs	5	(307,793)	(353,931)	(307,793)	(353,931)
Administration expenses	4	(64,118)	(82,680)	(64,118)	(82,680)
		<u>(815,823)</u>	<u>(1,305,188)</u>	<u>(770,743)</u>	<u>(1,257,178)</u>
Net Expenditure		(240,934)	(152,830)	(241,948)	(194,950)
Taxation on interest received	6	(318)	(295)	(318)	(295)
Interest receivable		<u>1,486</u>	<u>1,476</u>	<u>1,486</u>	<u>1,476</u>
Net Expenditure after Taxation and Interest		<u>(239,766)</u>	<u>(151,649)</u>	<u>(240,780)</u>	<u>(193,769)</u>

Continuing operations

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

Other Comprehensive Expenditure

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

The notes on pages 18 to 22 form part of these accounts

The Great Britain - China Centre (Limited by Guarantee)
Consolidated Statement of Financial Position as at 31 March 2014

	Notes	Consolidated		Great Britain-China Centre	
		2014	2013	2014	2013
		£	£	£	£
Non-current assets					
Property, plant and equipment	7	2,348	3,538	2,348	3,538
Intangible assets	8	<u>8,077</u>	<u>12,001</u>	<u>8,077</u>	<u>12,001</u>
		10,425	15,539	10,425	15,539
Current assets					
Trade receivables	9	24,035	259,878	71,695	304,878
Cash	10	<u>649,472</u>	<u>426,885</u>	<u>516,908</u>	<u>320,378</u>
		673,507	686,763	588,603	625,256
Current liabilities					
Trade payables and other current liabilities	11	<u>(283,311)</u>	<u>(304,915)</u>	<u>(210,211)</u>	<u>(254,198)</u>
Net current assets		390,196	381,848	378,392	371,058
Total assets less current liabilities		<u>400,621</u>	<u>397,387</u>	<u>388,817</u>	<u>386,597</u>
Provision for liabilities and charges	12	(3,000)	(3,000)	(3,000)	(3,000)
Total assets less liabilities		<u>397,621</u>	<u>394,387</u>	<u>385,817</u>	<u>383,597</u>
Statement of changes in taxpayer's equity					
General Reserves		<u>397,621</u>	<u>394,387</u>	<u>385,817</u>	<u>383,597</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 12 June 2014

Peter Batey
Chairman

Richard Pascoe
Executive Secretary and Accounting Officer

The notes on pages 18 to 22 form part of these accounts

The Great Britain - China Centre (Limited by Guarantee)
Consolidated Cash Flow Statement for the period ended 31 March 2014

Statement of cash flows	Notes	Consolidated		Great Britain - China Centre	
		2014	2013	2014	2013
		£	£	£	£
Net Expenditure for the year before interest and taxation		(240,934)	(152,830)	(241,948)	(194,950)
Adjustments for:					
Depreciation charges	7 & 8	5,114	10,998	5,114	10,998
(Increase)/decrease in trade receivables and other current assets	9	235,843	(124,091)	233,183	(109,090)
Increase/(decrease) in trade payables and other current liabilities	11	(21,604)	(174,963)	(43,987)	(139,515)
Increase/(decrease) in provisions	12	-	(41,155)	-	-
Net cash outflow from operating activities		<u>(21,580)</u>	<u>(482,041)</u>	<u>(47,637)</u>	<u>(432,557)</u>
Cash flows from investing activities		1,167	1,180	1,167	1,180
Purchase of non current assets and intangible assets	7 & 8	-	(13,442)	-	(13,442)
Cash flows from financing activities		243,000	270,000	243,000	270,000
(Decrease)/increase in cash and cash equivalents in the period		<u>222,587</u>	<u>(224,303)</u>	<u>196,530</u>	<u>(174,819)</u>
Cash and cash equivalents at the beginning of period	10	426,885	651,188	320,378	495,197
Cash and cash equivalents at the end of period		<u>649,472</u>	<u>426,885</u>	<u>516,908</u>	<u>320,378</u>

The notes on pages 18 to 22 form part of these accounts

The Great Britain - China Centre (Limited by Guarantee)
Consolidated Statement of Changes in Taxpayer's Equity for the Period Ended 31 March 2014

	Consolidated		Great Britain - China Centre	
	2014	2013	2014	2013
	£	£	£	£
Balance at 31 March 2012 & 2013	394,387	276,036	383,597	307,366
Statement of Comprehensive Net expenditure	(239,766)	(151,649)	(240,780)	(193,769)
Grant in aid received	243,000	270,000	243,000	270,000
Balance at 31 March 2013 & 2014	<u>397,621</u>	<u>394,387</u>	<u>385,817</u>	<u>383,597</u>

The notes on pages 18 to 22 form part of these accounts

The Great Britain - China Centre (Limited by Guarantee)
Consolidated Notes to the Accounts for the Year Ended 31 March 2014

1 Basis of preparation and consolidation

These financial statements have been prepared in accordance with the 2013-14 Government Financial Reporting Manual (FReM) issued by HM Treasury. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FReM 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.

As at 31 March, the GBCC had one subsidiary, the UK-China Forum, which was wholly controlled by the GBCC. The GBCC statements consolidate the results of its subsidiary under merger accounting rules.

Intra-group transactions are eliminated on consolidation and all income and expenditure figures in the Statement of Financial Activities relate to external activities only.

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 translated at the EU rate prevailing in the month of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the EU 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 as 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.

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.

The Great Britain - China Centre (Limited by Guarantee)
Consolidated Notes to the Accounts for the Year Ended 31 March 2014

2 Analysis of activities	Consolidated			Great Britain - China Centre		
	2014 Income £	2014 Expenditure £	2014 Net £	2014 Income £	2014 Expenditure £	2014 Net £
UK-China Forum	91,094	45,080	46,014	45,000	-	45,000
Judges training - 14th year	-	-	-	-	-	-
EU Death penalty project 3	3	-	3	3	-	3
EU Preventing Torture project 2	18	15	3	18	15	3
EU Freedom of expression project	243,588	243,504	84	243,588	243,504	84
EU CCLS Death Penalty	51,468	64,098	(12,630)	51,468	64,098	(12,630)
EU Civil Society	27,929	27,929	-	27,929	27,929	-
Business & Human Rights	(417)	(318)	(99)	(417)	(318)	(99)
Complaining with Confidence	-	-	-	-	-	-
SPF EUDP4	4,207	4,205	2	4,207	4,205	2
Chevening Programme	22,148	2,148	20,000	22,148	2,148	20,000
Chinese Financial Leaders Delegation	2,920	2,920	-	2,920	2,920	-
Legal Protection for the Media	2	-	2	2	-	2
SPF Legal Evidence	27,229	27,305	(76)	27,229	27,305	(76)
Project Development	-	2,352	(2,352)	-	2,352	(2,352)
SPF Torture Prevention Project	24,681	24,674	7	24,681	24,674	7
RWI Consultancy	-	-	-	-	-	-
Management fees	6,445	-	6,445	6,445	-	6,445
Overhead Recovery	26,520	-	26,520	26,520	-	26,520
Salary Recovery	59,623	-	59,623	59,623	-	59,623
	<u>587,458</u>	<u>443,912</u>	<u>143,546</u>	<u>541,364</u>	<u>398,832</u>	<u>142,532</u>

GBCC does not expect to recover its full expenditure on the EU CCLS Death Penalty project, on which it is a sub-contractor to Beijing Normal University(BNU), due to difficulties between the Chinese lead contractor and the EU delegation in Beijing which have affected scheduled EU payments to BNU. The underrecovery is approximately £12,630 and is beyond GBCC's control.

Revenue and expenditure is broken down between EU and Non Eu Elements as follows:

	2014 £	2014 £	2014 £	2014 £	2014 £	2014 £
EU	323,006	335,546	(12,539)	323,006	335,546	(12,539)
NON Eu	264,451	108,365	156,085	218,358	63,285	155,071
	<u>587,458</u>	<u>443,912</u>	<u>143,546</u>	<u>541,364</u>	<u>398,832</u>	<u>142,532</u>

Analysis of activities	Consolidated			Great Britain - China Centre		
	2013 Income £	2013 Expenditure £	2013 Net £	2013 Income £	2013 Expenditure £	2013 Net £
UK-China Forum	135,130	48,011	87,119	45,000	-	45,000
Judges training - 14th year	-	76	(76)	-	76	(76)
EU Death penalty project 3	110,905	109,448	1,457	110,905	109,447	1,458
EU Preventing Torture project 2	179,033	174,194	4,839	179,033	174,194	4,839
EU Freedom of expression project	193,959	194,010	(51)	193,959	194,010	(51)
EU CCLS Death Penalty	24,287	24,287	-	24,287	24,287	-
EU Civil Society	24,821	24,819	2	24,821	24,821	-
Business & Human Rights	121,407	121,231	176	121,407	121,231	176
Complaining with Confidence	97,730	97,730	-	97,730	97,730	-
SPF EUDP4	-	-	-	-	-	-
Chevening Programme	-	-	-	-	-	-
Chinese Financial Leaders Delegation	-	-	-	-	-	-
Legal Protection for the Media	72,835	72,835	-	72,835	72,835	-
SPF Legal Evidence	-	-	-	-	-	-
Project Development	-	335	(335)	-	335	(335)
SPF Torture Prevention Project	-	-	-	-	-	-
RWI Consultancy	28,296	1,601	26,695	28,296	1,601	26,695
Management fees	7,945	-	7,945	7,945	-	7,945
Overhead Recovery	56,357	-	56,357	56,357	-	56,357
Salary Recovery	91,579	-	91,579	91,579	-	91,579
	<u>1,144,284</u>	<u>868,577</u>	<u>275,707</u>	<u>1,054,154</u>	<u>820,567</u>	<u>233,587</u>

Revenue and expenditure is broken down between EU and Non Eu Elements as follows:

	Consolidated			Great Britain - China Centre		
	2013 £	2013 £	2013 £	2013 £	2013 £	2013 £
EU	533,005	526,758	6,247	533,005	526,759	6,246
NON Eu	611,279	341,819	269,460	521,149	293,808	227,341
	<u>1,144,284</u>	<u>868,577</u>	<u>275,707</u>	<u>1,054,154</u>	<u>820,567</u>	<u>233,587</u>

3 Other revenue	Consolidated		Great Britain - China Centre	
	2014 £	2013 £	2014 £	2013 £
Disposal of Assets	-	-	-	-
Miscellaneous	313	3,617	313	3,617
	<u>313</u>	<u>3,617</u>	<u>313</u>	<u>3,617</u>

The Great Britain - China Centre (Limited by Guarantee)
Consolidated Notes to the Accounts for the Year Ended 31 March 2014

4 Administration expenses	Consolidated		Great Britain - China Centre	
	2014 £	2013 £	2014 £	2013 £
Running costs	27,897	24,874	27,897	24,874
Rent and service charges	31,075	32,939	31,075	32,939
Auditors' remuneration	6,000	6,000	6,000	6,000
Depreciation & amortisation	5,114	10,997	5,114	10,997
Employee benefit accruals	(5,968)	7,870	(5,968)	7,870
	<u>64,118</u>	<u>82,680</u>	<u>64,118</u>	<u>82,680</u>

The audit fee for the current year is £6,000 (2012-13 £6,000) and no non audit work has been carried out.

5 Staff costs	Consolidated		Great Britain - China Centre	
	2014 £	2013 £	2014 £	2013 £
Wages and salaries	252,279	284,204	252,279	284,204
Social security costs	25,141	26,844	25,141	26,844
Other pension costs	30,373	42,883	30,373	42,883
	<u>307,793</u>	<u>353,931</u>	<u>307,793</u>	<u>353,931</u>

All staff at 31 March 2014 are permanent UK staff.

Average number of employees during the year	Consolidated		Great Britain - China Centre	
	2014	2013	2014	2013
Administration and activities	5	6	5	6

The GBCC was admitted to the Principal Civil service Scheme(PCSPS) on 1 September 2002. The accrued benefits for staff members of the Centre's previous by analogy scheme were transferred to the PCPS. It is a condition that on admission to the PCPS, 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 £30,373(2012-13 £42,883)

6 Taxation on interest received	Consolidated		Great Britain - China Centre	
	2014 £	2013 £	2014 £	2013 £
UK corporation tax	318	295	318	295

7 Property, plant & equipment	Consolidated			Great Britain - China Centre	
	Computers £	Fixtures & Fittings £	Office Equipment £	Total £	
GBCC Cost					
At 1 April 2013	19,314	18,612	7,585	45,511	
Additions	-	-	-	-	
Disposals	-	-	-	-	
At 31 March 2014	<u>19,314</u>	<u>18,612</u>	<u>7,585</u>	<u>45,511</u>	
Depreciation					
At 1 April 2013	18,210	17,153	6,610	41,973	
Charge for the year	703	292	195	1,190	
Disposals	-	-	-	-	
At 31 March 2014	<u>18,913</u>	<u>17,445</u>	<u>6,805</u>	<u>43,163</u>	
Net book value					
At 31 March 2014	<u>401</u>	<u>1,167</u>	<u>780</u>	<u>2,348</u>	
At 31 March 2013	<u>1,104</u>	<u>1,459</u>	<u>975</u>	<u>3,538</u>	
Property, plant & equipment					
Computers					
At 1 April 2012	21,497	18,612	7,585	47,694	
Additions	-	-	-	-	
Disposals	(2,183)	-	-	(2,183)	
At 31 March 2013	<u>19,314</u>	<u>18,612</u>	<u>7,585</u>	<u>45,511</u>	
Depreciation					
At 1 April 2012	15,580	16,788	6,366	38,734	
Charge for the year	4,813	365	244	5,422	
Disposals	(2,183)	-	-	(2,183)	
At 31 March 2013	<u>18,210</u>	<u>17,153</u>	<u>6,610</u>	<u>41,973</u>	
Net book value					
At 31 March 2013	<u>1,104</u>	<u>1,459</u>	<u>975</u>	<u>3,538</u>	
At 31 March 2012	<u>5,916</u>	<u>1,824</u>	<u>1,219</u>	<u>8,960</u>	

The Great Britain - China Centre (Limited by Guarantee)

Consolidated Notes to the Accounts for the Year Ended 31 March 2014

GBC	£
Cost	
At 1 April 2013	15,695
Additions	
Disposals	
At 31 March 2014	<u>15,695</u>
Amortisation	
At 1 April 2013	3,694
Charge for the year	3,924
Disposals	
At 31 March 2014	<u>7,618</u>
Net book value	
31 March 2014	<u>8,077</u>
At 31 March 2013	<u>12,001</u>
Cost	
At 1 April 2012	12,221
Additions	13,442
Disposals	<u>(9,968)</u>
At 31 March 2013	<u>15,695</u>
Amortisation	
At 1 April 2012	8,086
Charge for the year	5,576
Disposals	<u>(9,968)</u>
At 31 March 2013	<u>3,694</u>
Net book value	
At 31 March 2013	<u>12,001</u>
At 31 March 2012	<u>4,135</u>

All intangibles relate to software and there have been no changes to intangible assets on consolidation.

9 Trade receivables and other current assets	Consolidated		Great Britain - China Centre	
	2014	2013	2014	2013
	£	£	£	£
Trade receivables	4,207	53,081	6,867	53,081
Prepayments and accrued income	19,829	206,797	64,829	251,797
	<u>24,035</u>	<u>259,878</u>	<u>71,695</u>	<u>304,878</u>

Trade receivables and other Current Assets are broken down between balances with other Central Government Departments (CGDs) and balances with bodies External to the Government(E to G) as follows:

	Consolidated		Great Britain - China Centre	
	2014	2013	2014	2013
	£	£	£	£
Balances with other CGDs	-	17,887	-	129,233
Balances with bodies E to G	24,035	241,991	71,695	175,645
	<u>24,035</u>	<u>259,878</u>	<u>71,695</u>	<u>304,878</u>

10 Cash	Consolidated		Great Britain - China Centre	
	2014	2013	2014	2013
	£	£	£	£
Balance at 1 April	426,885	651,188	320,378	495,197
Net change in Cash	222,588	(224,303)	196,530	(174,819)
	<u>649,472</u>	<u>426,885</u>	<u>516,908</u>	<u>320,378</u>

Cash is broken down between balances at Commercial Banks and Cash in Hand as follows:

	Consolidated		Great Britain - China Centre	
	2014	2013	2014	2013
	£	£	£	£
Commercial Banks	644,797	421,496	512,233	314,989
Cash in Hand	4,675	5,389	4,675	5,389
	<u>649,472</u>	<u>426,885</u>	<u>516,908</u>	<u>320,378</u>

11 Trade payables and other current liabilities	Consolidated		Great Britain - China Centre	
	2014	2013	2014	2013
	£	£	£	£
Corporation tax	337	321	318	295
Other taxes, soc security & pension costs	12,489	11,538	12,489	11,538
Other payables	96,383	27,148	62,693	27,148
Accruals and deferred income	174,102	265,908	134,711	215,217
	<u>283,311</u>	<u>304,915</u>	<u>210,211</u>	<u>254,198</u>

Trade payables and other Current Liabilities are broken down between balances with other Central Government Departments and balances with bodies External to the Government as follows:

The Great Britain - China Centre (Limited by Guarantee)
Consolidated Notes to the Accounts for the Year Ended 31 March 2014

	Consolidated		Great Britain - China Centre	
	2014	2013	2014	2013
	£	£	£	£
Balances with other CGDs	12,826	11,859	12,808	11,833
Balances with bodies E to G	270,485	293,056	197,404	242,365
	<u>283,311</u>	<u>304,915</u>	<u>210,211</u>	<u>254,198</u>

12 Provision for liabilities and charges

A provision of £3000 made for an early retirement liability in 2008/09 remains a potential liability.

	Consolidated		Great Britain - China Centre	
	2014	2013	2014	2013
	£	£	£	£
Balance brought forward	3,000	44,155	3,000	3,000
Provided in year				
Irrecoverable Exp Death Penalty 2				
Provision w/ b to the Statement of Comp Net Exp		(41,155)		
Balance carried forward	<u>3,000</u>	<u>3,000</u>	<u>3,000</u>	<u>3,000</u>

13 Operating lease commitments

Current and future lease commitments under non cancellable operating leases are given in the table below, analysed according to the period in which the expenditure relates. GBCC may terminate the lease by giving six months written notice.

	Consolidated		Great Britain - China Centre	
	Buildings	Buildings	Buildings	Buildings
	2014	2013	2014	2013
	£	£	£	£
Current Year	<u>18,313</u>	<u>18,244</u>	<u>18,313</u>	<u>18,244</u>
Within one year	9,363	9,078	9,363	9,078
Between one and five years	-	-	-	-
	<u>9,363</u>	<u>9,078</u>	<u>9,363</u>	<u>9,078</u>

14 Related party transactions

The FCO is regarded as a related party. GBCC is an Executive Non Departmental Government Body (NDPB) and in 2013/14 received £243,000 Grant -in -Aid [2012/13 £270,000] from the FCO and had various other material transactions with it.

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 2013/14 administration fees were receivable from the UKCF of £45,000 (2012/13 £45,000) and the GBCC had £17,366 of recoverable expenses (2012/13 £18,668) from the UKCF. No debts were written off.

The All Party Parliamentary China Group (APPCG) is also regarded as a related party. The GBCC provided employee services to the APPCG(Jan-Mar 2013) and this was governed by a memorandum of understanding between GBCC and the APPCG. The transactions for employee services with the APPCG for 2013/14 amounted to £0 [2012/13 £2,590] .

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 2013/14 amounted to £6,445 (2012/13 £6,445.) There was also £137 [2012/13 £336] of recoverable expenses.

15 Directors Interests

There are no relevant director's interests.

16 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.

17 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.

18 Events after the reporting period

There are no events after the reporting period.

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