
The Great Britain-China Centre

Annual Report and Accounts 2024-25

The Great Britain-China Centre

Annual report and accounts 2024-2025

For the period 1 April 2024 to 31 March 2025

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

Directors

Ms Isabel Hilton OBE	- Chair - appointed 24 April 2025
Mr Alan Black	- Vice Chair
Mr Richard Jackson	- Vice Chair & Treasurer
Mr Andy Brock	
Mr Richard Burn	
Mr Timothy Danaher	
Ms Ruth Edwards	- Appointed 29 January 2026
Mr Patrick Horgan	- Appointed 29 January 2026
Ms Katharine Lee	- Appointed 29 January 2026
Ms Alyson Pia MacRae	
Prof Katherine Morton	
Mr Andrew Seaton	
Mr Anthony Vaughan MP	- Appointed 10 October 2025
Ms Marina Wheeler KC	
Mr Rod Wye	

Nominee Directors

Mr David Thompson	- British Council
Ms Kate Kyriakides	- Foreign, Commonwealth & Development Office
	- Appointed 9 October 2025

Company Secretary

Ms Merethe Borge MacLeod

Registered number

01196043

(Registered in England and Wales)

Registered Office

Kings Buildings
16 Smith Square
London
SW1P 3HQ

Auditors

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

The Great Britain-China Centre (Limited by Guarantee)

Strategic Report

The Great Britain-China Centre (GBCC) is a non-departmental public body sponsored by the Foreign, Commonwealth & Development Office (FCDO). GBCC works to support a robust and effective UK relationship with China which furthers the UK's national interests by promoting greater UK China capabilities and by supporting dialogues and exchanges between political parties, policy-makers and legal experts. The UK government is unique in having GBCC as an "arms-length" public body that is differentiated from His Majesty's Government (HMG) in its relations with Chinese institutions, but still working in the UK's national interest and in line with the government's evolving China policy, to support the bilateral relationship.

GBCC has expertise in working across the political, historical, cultural and linguistic barriers to facilitate dialogues and programmes on both technical and political issues of bilateral interest and concern. GBCC traditionally engages with a range of official partners in China, including the International Department of the Communist Party Central Committee (ICDPC) and the All-China Youth Federation (ACYF), the Supreme People's Court as well as think tanks and academic partners mostly in China's top law schools. GBCC's experience and expertise in engaging critically but pro-actively with counterparts in China is central to the ability to support the effective engagement of key audiences in the UK.

GBCC works with a range of institutions to facilitate dialogue on key topics relevant to the bilateral relationship and to support Chinese reforms that align with the UK's policy priorities and the broader bilateral strategies for engagement with China. This is done through dialogues and exchanges with policy-makers whom we can engage directly through our political or judicial contacts and through projects that focus on specific areas of reform. GBCC's typical project model is to work either directly with party-state institutions or with China's leading academic experts, who in turn advise key policy-makers on reform initiatives.

Engagement with Party-State actors in China has become increasingly challenged in the UK as development and reform increasingly takes place against a backdrop of increased authoritarianism and human rights violations. The Chinese government aims to achieve a more efficient judicial system and facilitate domestic economic reform whilst retaining complete political control. The overall picture is very much of an evolving rule by law rather than rule of law, and there are clear limits to what reforms and partnerships are possible under an authoritarian system. Moreover, in political cases or in whole regions such as Xinjiang and Tibet, the trend is firmly towards harsher repression and tougher sentences in the criminal justice system, and extensive use of arbitrary detention, forced labour and a number of other human rights abuses among the population in general.

These human rights concerns are serious and significant, but it would be remiss not to recognise that significant reforms continue, albeit not along a linear liberalising trajectory. Whilst remaining cognisant of the wider complex and contradictory picture, GBCC is able to witness and contribute to specific reforms and normative discussions on the rule of law, and continue to believe that technical advice and meaningful discussions can both help deepen and broaden reforms and keep bringing in international perspectives at a time when this is increasingly difficult but perhaps more needed than ever.

During the financial year, GBCC carried out a number of project activities and dialogues with Chinese and UK-based partners:

China Capabilities

As both the threats and opportunities from China grow, it is ever more important for the UK's security and prosperity that the UK Government has sufficient China expertise. GBCC plays the central role in this, expanding its portfolio of initiatives to respond to this need.

In 2024-25, GBCC continued to deliver an increasing number of China Capability training courses funded by the FCDO and targeting both mid- and senior-levels of the civil service. A total of 350 civil servants from across Whitehall departments and agencies benefitted from these courses during the reporting period. The

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Strategic Report (continued)

courses, designed by GBCC and delivered in person by leading UK experts and practitioners, typically covered China's political system, economic structure and industrial policy, foreign policy and issues including human rights, technology and climate change.

GBCC's Future Leaders Programme (FLP), which brings together cohorts of mid-career policy and decision-makers from across Westminster, Whitehall departments, UK business and civil society, recruited its fourth cohort in 2024. The 27 participants joined comprehensive tailored courses on China and China policy, developed and delivered in close cooperation with the Oxford University China Centre, while recruitment and business sponsorship for the fifth cohort got underway. In March 2025, GBCC organised the second FLP alumni study trip to Beijing, where participants attended a variety of meetings and events, including with the Central Party School, IDCPC, ACYF, HSBC and China-Britain Business Council.

In 2024-25, GBCC launched an online 'knowledge hub' for the various China Capability initiatives, where course participants can access password-protected course information, prerequisite readings, speaker presentations, as well as future updates. In addition to improving the user experience, this resource also allows for a higher degree of evaluation of the course materials, and more targeted participant engagement.

GBCC managed an FCDO-funded research project mapping the current state of China Capabilities across several key sectors in the UK. The final report was delivered in March 2025, and relevant stakeholder meetings to discuss the findings followed in early April, feeding into China Capability programming going forward.

GBCC also worked with the UK Government in China, represented by the British Embassy Beijing and British Consulate General Guangzhou, on a project to support cross-HMG knowledge and understanding of the opportunities and risks of working with China on commercial clean energy cooperation. A large delegation of civil servants from across six departments visited Beijing and South China to meet with relevant counterparts and visit over 12 sites, aimed at improving HMG's analysis and alignment on critical issues related to UK-China clean energy cooperation.

Political and Economic Dialogues

GBCC organises regular Track 1.5 political dialogues involving cross-party groups of UK parliamentarians and senior Chinese Party-State officials selected from relevant party and state interlocutors, with the purpose of strengthening the ability of policy-makers, politicians and businesses to pursue effective UK interests and navigate the increasingly complex bilateral relationship with China. The dialogues have become unique platforms for open discussion on policy matters of concern to both sides, supporting UK politicians to gain a deeper and more nuanced understanding of the Chinese system and bringing UK views and perspectives directly to the attention of Chinese policy-makers. The dialogues are held alternately in the UK and China, organised by GBCC in partnership with the International Department of the Central Committee of the Communist Party of China (IDCPC), and the All-China Youth Federation (ACYF)/ Communist Youth League (CYL). The risks of engaging directly with the Chinese Communist Party leadership and of UK parliamentarians travelling to China are assessed on an ongoing basis, and in close consultation with the FCDO.

Following the 2024 General Election, GBCC has been expanding its network with new Parliamentarians and institutions within Parliament such as Select Committees, APPGs and party groups. With the resumption of more frequent political exchanges between the UK and China, GBCC's dialogues continue to complement Government-to-Government exchanges, working cross-party and engaging with both front and back-bench Parliamentarians.

GBCC led a political dialogue in Beijing in January 2025 focusing on AI, consisting of cross-party parliamentarians with two academic experts to deepen and broaden wider ongoing dialogues around the Senior Leadership Forum. Following this engagement, GBCC hosted the Vice Minister of the IDCPC Lu Kang

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Strategic Report (continued)

for his visit to London in March 2025 during which the Vice Minister and his delegation met with representatives from all four major UK political parties – Labour, Conservative, Liberal Democrats and Reform UK. In June 2025, GBCC hosted the 13th Senior Leadership Forum in London. This was led by GBCC Honorary President Sir David Lidington and the IDCPC Minister Liu Jianchao.

Criminal Justice Reform

GBCC has a 30-year track record of supporting reforms within China's legal system in areas of international human rights concern such as torture prevention, death penalty reduction, improved criminal procedures, improving children's experience in the criminal justice system and legal exchanges. Projects seek to promote judicial and legal professionalism through capacity-building and exposure to international standards and best practice. GBCC works with influential academic and justice sector organisations to design and deliver projects that affect change on the ground and inform policies and legislative reform through evidence-based, coherent and transparent policy recommendations. Projects implemented on the ground and in partnership with Chinese institutions are, by political necessity, confined in scope to areas within the broad government-sanctioned reform agenda, and as noted on page 2, undertaken with acute awareness of the ongoing breaches of fundamental freedoms and rights especially in political cases.

Two projects funded by the European Union through the European Initiative for Democracy and Human Rights (EIDHR) came to an end during FY24/25; one on restricting the use of death penalty and one on improving criminal procedures in child sexual abuse. In the same period the EU EIDHR approved a new three-year project, focusing on the UN Sustainable Development Goals and supporting an inclusive justice system for disadvantaged groups in China. Additionally, a new one-year project funded by the Dutch Embassy in Beijing was launched to enhance access to justice and combat gender-based violence in China.

With Beijing-based staff monitoring the local situation and maintaining communication with implementing partners, and London-based staff travelling to China to meet with partners and stakeholders, project implementation progressed at pace. GBCC continued submitting grant applications to the FCDO, the European Union and other institutional donors, and although GBCC has a high rate of success with the applications, the number of, and scale of, institutional funding opportunities is increasingly limited. GBCC continues to seek additional funding and has had moderate success in FY25/26 to date.

GBCC Strategy

Following the FCDO's reclassification of GBCC's grant in aid (GiA) to non-Official Development Assistance (non-ODA), the Board reviewed and restated the primary strategy of the organisation: **The Great Britain-China Centre's purpose is to support a robust and effective UK relationship with China which furthers the UK's national interests, and to facilitate bilateral dialogue and exchanges.**

GBCC's Strategy 2023-2025 was approved by the Board in October 2023. With a new government from July 2024, the appointment of a new Chair of the GBCC in April 2025, China-relevant guidance coming out such as the China Audit and other government strategies, the GBCC Board will look to review and update its Strategy early in the financial year 2026-27, after the company has been notified of its 2026-29 GiA settlement.

The current GBCC strategy is as follows:

GBCC Strategy 2023-2025

GBCC works to support a robust and effective UK relationship with China which furthers the UK's national interests, and to facilitate bilateral dialogue and exchanges

The Great Britain-China Centre (GBCC) is an independent, policy-focused organisation that works on the basis that the UK's interests are best served through maintaining a robust and effective relationship with China. GBCC is sponsored by the Foreign, Commonwealth and Development Office (FCDO) and has been operating as a Non-Departmental Public Body since 1974. GBCC builds on the FCDO's grant-in-aid funding

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Strategic Report (continued)

to deliver a programme of core activities and attract external funding, thereby amplifying the impact of the public money it receives.

GBCC works in close partnership with HMG and other UK institutions including Parliament, political parties, the judiciary and the legal profession, academia and business. We facilitate UK-China bilateral dialogue and exchange, and we have developed the institutional capital, credibility and resilience necessary to navigate the increasing complexities of the UK-China relationship.

GBCC's Strategy 2023-2025 sets out GBCC's mission in response to the government's Integrated Review Refresh 2023 (IR2023): Responding to a more contested and volatile world as well as bilateral and geopolitical changes that directly affect GBCC's areas of engagement. The IR2023 describes China as an "epoch-defining and systemic challenge" to the type of international order the UK wants to see in terms of security and values, but it also emphasises the need to have channels of direct contact with Chinese interlocutors and recognises the need to build increased China Capabilities at home. China continues to play an influential role in international issues and institutions that are core to the UK's interests across a range of areas including climate change, health and global development, and the Chinese economy is an essential part of the global trading system and its institutions.

The broader geopolitical background, characterised by tensions between China and the US and Western-aligned countries, has led to increased interest in China. GBCC has a long history of maintaining connections throughout a, from time to time, turbulent bilateral relationship, and uses its experience and expertise in engaging critically but pro-actively with counterparts in China to support the effective engagement of key audiences in the UK. During the Strategy period 2023-2025, GBCC will continue to build on its status as an NDPB, its long-standing relationships both in the UK and China as well as globally, and its ability to convene a broad set of platforms and channels for dialogue and exchange to support an effective UK-China relationship.

GBCC's Strategy for 2023-2025 supports the UK's China policy by:

1. Strengthening the UK's China Capabilities

There is broad consensus among government, politicians, businesses, and education institutions on the need to improve and increase the UK's China capabilities, and this ambition is clearly articulated in the IR2023. GBCC will continue to support the ability of policy-makers, politicians and businesses to navigate the increasingly complex bilateral relationship with China to promote and pursue UK interests. GBCC draws on an extensive range of China expertise across the UK and globally to deliver tailored courses and programmes, working in partnership with FCDO/HMG on a number of bespoke China Capabilities courses for civil servants from across Whitehall departments and with the All-Party Parliamentary China Group on thematic China trainings for MPs and parliamentary researchers. GBCC's Future Leaders Programme brings together annual cohorts of mid-career policy and decision-makers from across Westminster, Whitehall departments and UK business for bespoke courses on China, developed and delivered in close cooperation with the Oxford University China Centre, and with plans also to include opportunities for placements and fellowships in China for participants.

2. Providing Platforms for Bilateral Dialogues

Track 1.5 dialogues complement the government's position, amplifying matters which are important to the UK and help UK stakeholders stay well informed about China's political stance and agenda, and as such they become even more important when bilateral relationships are difficult.

GBCC has a long track record of convening bilateral dialogues and exchanges with the Chinese party-state, drawing in a variety of voices from across the UK's political spectrum to ensure that discussion with Chinese counterparts is inclusive, diverse and long-sighted. GBCC's Senior Leadership Forum brings together cross-party groups of UK parliamentarians and senior Chinese party-state officials, to discuss matters of bilateral and geopolitical concern as well as identify areas for continued engagement.

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Strategic Report (continued)

3. Supporting Legal and Judicial Reform in China

GBCC's long history of supporting reforms within China's legal and criminal system is undertaken with acute awareness of ongoing breaches of fundamental rights and freedoms across China. While legal reform trends are contradictory, GBCC continues to believe that engagement for reform can deepen and broaden their reach as well as bringing in an international perspective at a time when this is increasingly difficult but perhaps more needed than ever.

Whilst remaining cognisant of the wider more complex picture, GBCC is able to contribute to important reform initiatives especially in areas of international human rights concern such as death penalty reduction, improved criminal procedures and better protection for disadvantaged groups, as well as legal reforms to improve China's business environment and market access for UK business and investment. Continued engagement with China's legal system demonstrates the UK's commitment to the rule of law globally, including holding China to its international obligations. Exchanges on legal reform also brings unique partnerships and insights which in turn enables GBCC to function as an effective and multidimensional convener for UK stakeholders.

GBCC Funding and Viability Statement

The Board keeps the issue of "Going Concern" under regular review at Board meetings, and close liaison is maintained with the FCDO's China Department to ensure alignment with its China strategy. Although it does not, and is not required to, comply with the UK Corporate Governance code, GBCC follows best practice with regards to the consideration of viability and going concern and the Board has assessed the updated strategy of GBCC over the required period of 12 months, until March 2027. The Board's scrutiny includes regular assessment of the main risks facing GBCC and management's methodology to address them, as well as return on investments in developing the funding pipeline.

GBCC's GiA has been committed at £350k for the FY25/26 financial year, and GBCC is awaiting the outcome of the submission for the Spending Review for the three-year period FY26/29. GBCC submitted ambitious scenarios to build on its China Capabilities and dialogue work to support the government's China strategy as set forth in the National Security Strategy from June 2025. GBCC was pleased to hear the then Foreign Secretary David Lammy say in Parliament on 24 June 2025 that "...we need to invest in the Great Britain China Centre so that understanding of the culture is across our country..." (Hansard). In addition to the comments made by the former Foreign Secretary, the FCDO PUS Sir Oliver Robbins in his evidence to the Foreign Affairs Select Committee referenced GBCC and our work commenting: "We have made sure that the work we do internally to improve British civil service capability on China is not just about the Foreign Office... we have the Great Britain-China Centre as an arm's length body, which is focused on China expertise and skills".

With continued GiA funding at the core, GBCC will deliver those functions that are closely connected to its status as a non-departmental public body, such as semi-official dialogues with Chinese institutions and interlocutors, and contribute to the UK's skills and knowledge to interact effectively with Chinese counterparts, often referred to as China Capabilities. GBCC will also continue to deliver its externally funded project work and seek additional funding for its activities.

Traditionally funding has been the main risk to GBCC's operation, given the reliance of the business model on GiA from the FCDO. The FCDO GiA commitment of £350k until March 2026 and the letter of comfort whereby it undertakes to provide adequate financial assistance, should it be required, to enable GBCC to continue operating as a going concern for a period of at least twelve months from the date that the 2024-25 accounts are certified by the Comptroller and Auditor General, allows GBCC to function for the full financial year and plan for the future in line with the Spending Review settlement and opportunities for external income.

However, the 30% decrease in GiA from 2021-22 levels means that GBCC needs to raise increasing levels of external income from both institutional and commercial partners to deliver on its full strategy. While

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Strategic Report (continued)

fundraising efforts are successful for China Capability activities and institutional donors, the outreach to businesses is challenging in the current environment, and the investment in approaching philanthropic donors and foundations has led to the realisation that this is a long-term goal which will require constant attention over a longer timeframe. However, GBCC continues to stay in close touch with China-relevant UK businesses and donors to strengthen and diversify the income generation pipeline, especially as the government is re-engaging at the highest levels. The government remains committed to improving China Capabilities, and HMG funding for China Capabilities has continued to increase in recent years. GBCC delivers a range of courses and reports, and is investing in further professionalising organisational methodology, as well as increasing staff capacity, to deliver courses and programmes often on tight timeframes.

Corporate sponsorship from UK companies has contributed to the implementation of initiatives to improve UK China Capabilities such as the Future Leaders Programme. Additional corporate sponsorship is needed to grow the Programme and offer more diverse engagement opportunities. GBCC is actively targeting potential new commercial and philanthropic sponsors. Economic uncertainty is negatively impacting the availability of corporate sponsorship but UK companies recognise the need to develop their China capabilities and remain supportive of the work of GBCC. It is hoped that the government's ongoing, high-level engagement with China and the continued commitment of GiA to GBCC will make it easier to attract new business sponsorship in the year ahead.

Political dialogues are back on regular track, with the Senior Leadership Forum meeting annually; following the first post-Covid in-person dialogue in London in June 2023, it also took place in Beijing in March 2024 and again in London in June 2025. GBCC was able to build on this momentum to also organise a thematic dialogue on AI and global governance in Beijing in January 2025.

With a successful track record in obtaining external multi-year project grants and implementing successfully even during difficult times, GBCC is in a unique position to obtain grants from institutional funding mechanisms, from the UK as well as international donors, to support its work on criminal justice reform.

The institutional funding landscape that GBCC relies on is however increasingly competitive due to widespread cuts to overseas programmes by most traditional donors and the knock-on effect of the US administration's even more significant cuts. Institutional donors are inundated with requests for funding at a time when they have less resources, and for GBCC this means there are only a handful of relevant donors.

During FY23/24, GBCC implemented four large externally financed projects, two supported by the EU, one by the Dutch embassy in Beijing, as well as another project financed by the Swiss government. However, as these projects completed at the end of FY23/24 and early FY24/25, funding opportunities to replace them have been reducing in number and value due to the political and operational challenges of implementation. For example, in 2024 GBCC experienced being awarded two institutional projects, which were later retracted by donors due to financial cuts ahead of contract signing. That said, the company has been awarded a 3-year EU-funded project which commenced in December 2024, and a Dutch funded 1-year project which commenced around the same time. The company is continuously speaking to donors and applying for additional project funds to retain the scope of the portfolio at a very challenging time.

The FY24/25 budget, approved by the Board in April 2024, was set to break even following the inclusion of £350k GiA. As the year progressed, a budgetary risk of £179k was identified, primarily due to challenges in securing contracts from a reduced pool of available projects. Despite this, the final year-end position was a deficit of £52k, inclusive of the £350k GiA and one-off costs of £26k related to the Board-approved 50th anniversary events. Excluding these one-off costs the underlying deficit would have been £26k, an improvement of £153k on the budgetary risk identified earlier in the year. An outcome mitigated by the back-end phasing of the China Capabilities projects, the successful acquisition of new contracts, and the winning of two significant EU and Dutch funded criminal justice projects.

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Strategic Report (continued)

The difficulty in forecasting income from smaller, in-year projects - due to limited visibility at the start of the financial year - was reflected in the FY25/26 budget which was approved by the Board in April 2025. This budget projected a deficit of £44k (post £350k GiA), alongside an income gap of £48k for projects yet to be secured. As of the date of approval of these financial statements, funding to bridge the project income gap has been secured, and the outturn for FY25/26 is projected to be near break-even. At the start of FY25/26, Taxpayers' Equity represented coverage equivalent to 14 years of the budgeted deficit for the year.

GBCC actively monitors its cash reserves which over the year have reduced substantially. The cash balance at the year-end was artificially low due to the high levels of receivables at the Statement of Financial Position date, caused by the phasing of the China Capabilities projects. These were all collected in the subsequent months and the adjusted cash balance had effectively reduced in line with the reduction in taxpayers' equity over the year FY24/25.

With a commitment of GiA to 31 March 2026, and the continued support of the FCDO, GBCC can continue to plan and function on an ongoing basis whilst building on the strengths of the business and exploring additional opportunities as bilateral relations develop. The continued importance to the UK of the work GBCC is undertaking, and the continued efforts to raise funds from institutional, commercial and philanthropic sources, assure the Board that GBCC has sufficient support and relevance to continue its operation until March 2027. The Board has approved a reserve policy that sets the objective for GBCC of building and maintaining reserves equivalent to 6 months operating expenses, which would be met should results come in on budget for FY25/26. The Directors assess GBCC's prospects primarily through its financial planning process. As part of this, the Directors have considered the financial impact of a number of scenarios around the political and operational reality of working in a changing geopolitical landscape.

The Directors therefore have a reasonable expectation that GBCC will be able to continue its operation and meet its liabilities as they fall due to March 2027.

Isabel Hilton
Chair

Date 11 March 2026

Merethe Borge MacLeod
Executive Director, Company Secretary and Accounting Officer

Date 11 March 2026

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Directors' Report

The Directors present their report and financial statements for the year ended 31 March 2025. These accounts exclude the results for the UK-China Forum, a related company, because the political dialogues are run through The Great Britain-China Centre and no transactions have gone through the Forum in the year. The information presented in the Directors' Report is not subject to audit unless stated otherwise.

The financial statements have been prepared in a form directed by the Secretary of State for Foreign, Commonwealth and Development Affairs with the consent of the Treasury and in accordance with the Companies Act 2006 and the HM Treasury Financial Reporting Manual to the extent that the manual does not conflict with the Act.

The Great Britain-China Centre

The Great Britain-China Centre (GBCC) was established in 1974, and is an executive non-departmental public body. It is a Private Company limited by Guarantee without share capital. The organisation is registered in England and Wales and domiciled in the United Kingdom. GBCC receives grant in aid (GiA) from the Foreign, Commonwealth & Development Office (FCDO).

Principal activities

The company's principal activity during the year continued to be the support of a robust and effective UK relationship with China which furthers the UK's national interests by promoting greater UK China capabilities and by supporting dialogues and exchanges between political parties, policy-makers and legal experts.

Management Commentary:

Results

After taking into account the GiA of £350,000 (2023-24: £350,000) from the FCDO, the results for the year ending 31 March 2025 show a reduction in Taxpayers' Equity of £51,967 (2023-24: increase of £111,442). This was a substantial change from the prior year but not wholly unexpected.

During FY24/25, the company continued to observe a reduction in the availability of institutional funding opportunities, with many donors facing budgetary constraints. Notably, cuts to Overseas Development Assistance across several governments has made the environment for securing donor funding increasingly competitive. Despite these challenges, the company successfully secured one three-year project and one one-year project, and remains actively engaged with donors to develop future project opportunities and develop project bids.

The company experienced a transitional period between the conclusion of several long-term projects and the commencement of their replacements, resulting in a temporary reduction in activity and a corresponding decline in donor income for the year.

In contrast, the company saw growth in its China Capability training programme, funded by the FCDO. A total of 350 civil servants from various Whitehall departments and agencies participated in these courses, representing an increase from the previous year. With China Capabilities remaining a strategic priority for the UK government, the company continues to expand its portfolio of initiatives to meet evolving governmental requirements.

Additionally, the company delivered its fourth Future Leaders Programme, which continues to attract strong demand. The year concluded with an exposure visit to Beijing in March 2025 for the second cohort of programme alumni.

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Directors' Report (continued)

In response to increased demand for capability programmes and a challenging donor funding environment, the company expanded its staffing levels, appointing three new staff members at the start of the financial year. This investment has enhanced organisational agility and responsiveness to donor and FCDO requirements.

To mark its 50th Anniversary, the company hosted two commemorative events—one at the Foreign, Commonwealth & Development Office in London and another at the Ambassador's Residence in Beijing. These events welcomed over 250 guests from government, academia, think tanks, business, civil society, and, in China, representatives from ministries and Beijing-based embassies. These one-off events were financed from reserves.

The Directors are confident that the company is well positioned to pursue its strategic objectives and deliver a more ambitious and comprehensive programme in support of the UK government's China policy. The company maintains healthy cash balances and reserves, which provide a stable financial foundation to support operations during this transitional period.

Sustainability

GBCC is exempt on de minimis grounds when reporting against the Greening Government Commitments, however the company is mindful of the role it has to play in reducing its emissions wherever possible. There are constraints as to how the company can mitigate its climate impact. It doesn't have an office presence and the largest impact the company has is in international air travel, mainly to and from China, given the core function of the Company. The company is committed to keeping its environmental impact to a minimum, wherever possible.

The number of long haul flights has increased after the lifting of COVID travel restrictions in China in Q1 FY23/24, even though online activities that obviously limit travel still take place when possible. Before deciding to travel, the company has to weigh up the environmental impact of carrying out activities on its projects and taking part in dialogues face to face against the positive impact its research projects and the dialogues have both in the UK and China. During the year the company paid for a similar number of flights to China as in the previous year. In January 2025, a cross-party delegation of parliamentarians visited China with a focus on artificial intelligence and this was followed in March 2025 by the second alumni study visit to Beijing as part of the Future Leaders Programme.

Regularity of expenditure (audited)

In spending public money, GBCC complies by the principles of HM Treasury's Managing Public Money (MPM). All GBCC expenditure and underlying transactions comply with those principles.

Directors

Directors who served on the Board during the year and who were Directors under the Companies Act 2006 are identified below:

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Directors' Report (continued)

Sir Martin Davidson KCMG	- Chair - resigned 24 April 2025
Mr Alan Black	- Vice Chair
Mr Richard Jackson	- Vice Chair & Treasurer
Mr Andy Brock	
Mr Richard Burn	
Mr Timothy Danaher	
Mr Luke Graham	- Resigned 25 April 2024
Mr Andrew Gwynne MP	- Resigned 22 July 2024
Ms Alicia Kearns MP	- Resigned 30 November 2025
Ms Alyson Pia MacRae	
Prof Katherine Morton	
Mr Andrew Seaton	
Ms Marina Wheeler KC	
Mr Rod Wye	

Nominee Directors

Mr David Thompson	- British Council
Mr Andrew Pittam	- FCDO - Resigned 9 October 2025

None of the Directors are remunerated.

Board changes

The Board wishes to formally acknowledge the resignation of Sir Martin Davidson KCMG as Chair of the Board effective 24 April 2025, marking the conclusion of his second and final 5-year term of office. Sir Martin is succeeded by Ms Isabel Hilton OBE for an initial five-year term, effective the same date.

Sir Martin served as Nominee Director from June 2007, in his capacity as CEO of the British Council. He was appointed Chair in February 2015 and over this period brought a wealth of experience, strategic insight, and leadership to the role. Under his stewardship GBCC successfully maintained its critical pro-engagement policy during a time of fast changing UK-China relations, and advocated for increased China Capabilities across the UK.

The Board extends its sincere gratitude to Sir Martin for his dedication and invaluable contributions to the Company's success and governance.

The Board are pleased to note that Sir Martin will continue his association with GBCC, having graciously accepted the role of Honorary Vice President.

Audit and Risk Assurance Committee

GBCC's Audit and Risk Assurance Committee (ARAC) is a sub-committee of the Board. ARAC 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. The ARAC considers management accounts and reserves, review of internal control, review of the risk register and any other relevant matters. As is the case with companies of its size, GBCC does not have its own internal audit function. It relies on FCDO Internal Audit Department to assist with this function.

The Great Britain-China Centre (Limited by Guarantee)

Directors' Report (continued)

During the year ended 31 March 2025 membership of the ARAC comprised:

Mr Richard Jackson	- ARAC Chair
Ms Alyson Pia Macrae	- Until April 2024
Mr Luke Graham	- Until April 2024
Mr Andy Brock	- From May 2024
Mr Richard Burn	- From May 2024

The Executive Director, Head of Finance and Operations, NAO Senior Audit Manager, NAO Director and FCDO Internal Audit Manager were regular attendees. The GBCC Data Protection Officer is also invited to attend annually.

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 Equality Act 2010 is followed. Decisions on recruitment, selection, training, promotion and career management are based solely on objective and job-related criteria.

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.

Pension Liabilities

The treatment of pension liabilities is discussed under notes 2.8 and 15 in the Notes to the Financial Statements.

Audit Fee (audited)

The Directors confirm that the Comptroller and Auditor General is appointed as statutory auditor for the GBCC financial statements and that the auditors have not conducted any non-statutory audit work. The fee for the statutory audit was £30,500 (2023-24: £30,000).

Creditors

The average time taken to pay invoices in the current year was 18 days (2023-24: 18 days). The proportion of the aggregate amount owed to trade creditors at the year-end compared with the aggregate invoiced by suppliers during the year was equivalent to 22 days (2023-24: 26 days). The reduction reflects a shift from a comparatively high trade creditor balance at the prior year-end to a higher accruals balance at the current year-end.

Going Concern

The Directors and the Accounting Officer consider The Great Britain-China Centre to be a going concern.

The FCDO grant in aid was confirmed at £350,000 for the year to March 2026. This will cover an estimated 39% of budgeted core costs for the year. The balance is expected to be covered by earnings from ongoing externally funded projects, forecast sponsorship income and from reserves. After inclusion of GiA, the

The Great Britain-China Centre (Limited by Guarantee)

Directors' Report (continued)

budgeted deficit for FY25/26 is £44,000. The company has reserves of £635,637, cash of £635,373, and trade receivables £328,880 at the start of FY25/26.

The company has continued to expand its successful China Capabilities training and has recruited its fifth cohort into its flagship capabilities initiative, the Future Leaders Programme. It has been successful in winning a 3-year EU funded project and several projects of duration 1-year or less. The company is in discussion with its previous donors, providing ideas and plans for future projects.

The Board keeps the issue of "Going Concern" under review and close liaison is maintained with the FCDO's China Department to ensure alignment with its China Strategy. Although it does not, and is not required to, comply with the UK Corporate Governance code, GBCC follows best practice with regards to the consideration of viability and going concern and the Board has assessed forward strategy over the required period of 12 months, to March 2027. The Board's scrutiny includes regular assessment of the main risks facing GBCC and management's methodology to mitigate them. With a commitment of GiA to 31 March 2026, a strong cash balance, healthy reserves, and the FCDO's undertaking to support the company for a period of at least twelve months from the date that the 2024-25 accounts are certified by the Comptroller and Auditor General, the company can continue to plan and function on an ongoing basis whilst building on the strengths of the business and exploring additional opportunities. It is the view of the Board that The Great Britain-China Centre will continue to operate as a going concern for a period of at least twelve months from the date that the 2024-25 accounts are certified by the Comptroller and Auditor General.

Further information on Going Concern is contained within the Strategic Report in the GBCC Funding and Viability Statement on pages 6 to 8.

Losses and special payment (audited)

During the 2024-25 financial year GBCC incurred a foreign exchange loss of £8,563 (2023-24: loss £10,945), a bad debt of £2,000 (2023-24: £nil) and a fraud loss of £711 (2023-24: £nil). There were no other losses or special payments.

Of the foreign exchange loss of £8,563 (2023-24: loss £10,945), a loss of £4,446 (2023-24: loss £4,621) is presented separately on the face of the financial statement. The remaining £4,117 (2023-24: loss £6,324) has been recognised within the Statement of Comprehensive Net Expenditure as part of Purchases of goods and services. The losses in this and the prior year, arise on transactions relating to grant donor-funded projects and their carrying value within the Statement of Financial Position.

The bad debt arose from the non-payment of a programme attendance fee, which was deemed irrecoverable. The individual concerned is experiencing significant financial and emotional hardship and isn't responding to any communication from the company.

The fraud loss resulted from an impersonation 'bogus boss' email scam where a staff member was under the impression they were making purchases on behalf of their senior colleague.

Both the write-off and the fraud loss were authorised by the Executive Director in accordance with the Company's delegated authority framework. The Company considers these to be isolated incidents and does not anticipate similar losses occurring in the future. The write-off is considered exceptional in nature and staff have undergone additional training to safeguard against similar fraud losses.

Indemnities or guarantees (audited)

GBCC did not enter into any agreements to provide an indemnity or guarantee during the reporting period.

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

Remote contingent liabilities (audited)

GBCC does not have any material remote contingent liabilities.

This report was approved by the Board on 09 October 2025.

Isabel Hilton
Chair

Date 11 March 2026

Merethe Borge MacLeod
Executive Director, Company Secretary and Accounting Officer

Date 11 March 2026

The Great Britain-China Centre (Limited by Guarantee)

Statement of the Accounting Officer's & Directors' Responsibilities

Under the Government Resources and Accounts Act 2000 (GRAA Order 2009), the Secretary of State of the Foreign, Commonwealth and Development Office (with the consent of HM Treasury) has directed The Great Britain-China Centre, to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of The Great Britain-China Centre and of its income and expenditure, Statement of Financial Position and cash flows for the financial year.

In preparing the accounts, the Accounting Officer and Directors are required to comply with the Companies Act 2006 primarily and then the requirements of the *Government Financial Reporting Manual* and in particular to:

- observe the Accounts Direction issued by Secretary of State (with the consent of HM Treasury), including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- 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 financial statements;
- prepare the financial statements on a going concern basis; and
- confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable.

The Foreign, Commonwealth & Development Office has appointed 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-China Centre's assets, are set out in Managing Public Money published by the HM Treasury.

The Directors and Accounting Officer have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that The Great Britain-China Centre's auditors are aware of that information. So far as we are aware, there is no relevant audit information of which the auditors are unaware.

Isabel Hilton
Chair

Date 11 March 2026

Merethe Borge MacLeod
Executive Director, Company Secretary and Accounting Officer

Date 11 March 2026

The Great Britain-China Centre (Limited by Guarantee)

Governance Statement

1. Board Membership

As at the end of March 2025, GBCC's Board of Directors had 14 members.

2. Overview of Board Structure and Performance

The GBCC Board played an active role in shaping GBCC's strategy for the future in close cooperation with the FCDO. The Board had three sub-committees active during the year; the Audit and Risk Assurance Committee and the Business Development and Fundraising Committee, both chaired by a Vice-Chair, and the People and Performance Committee, chaired by the GBCC Chair, which offered guidance and support to the GBCC Executive Director (ED) and her team in the strategic development of the organisation.

The Audit and Risk Assurance Committee monitored and evaluated risks to the operation of the organisation, reviewed the accounts and accounting policies, and monitored the implementation of data protection compliance. A fuller description of the ARAC's responsibilities is included in the Directors' Report on pages 11 and 12.

The People and Performance Committee supported and advised the ED on people management, approved the annual performance appraisals of senior management (ED, Deputy Director and Head of Finance and Operations), reviewed the relevance and appropriateness of staff remuneration, performance related pay increases and bonuses and advised on general staffing levels.

The Business Development and Fundraising Committee advised on the development of business and fundraising strategy. It contributed knowledge and experience of fundraising including identification of potential sponsors and advised on the formulation of corporate sponsorship criteria, especially in relation to the Future Leaders Programme.

The Chair of the Board, Sir Martin Davidson, was due to stand down in February 2025, but given the delay to the recruitment of his successor, the Board asked him to stay on until the recruitment process had been concluded. The new Chair, Ms Isabel Hilton OBE, was recommended by the Foreign Secretary and approved by the Board on 24 April 2025. The Board looks forward to working with her.

The Board are planning to undertake an external Board effectiveness review in FY26/27, after the results of the Spending Review are notified to the company.

Members of the public apply to join the GBCC Board in response to public advertisements and are chosen by the other Board members in 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. Two Directors were due to stand down in April 2025, but agreed to stay on to ensure continuity and flexibility for the incoming Chair. A new Board recruitment round was conducted in the autumn of 2025 and three additional Board members were appointed in January 2026.

The Board includes two Nominee Directors whose place on the Board is mandated in the Articles of Association. One Director is an appointee of the FCDO and one of the British Council.

The Vice-Chairs of GBCC and the Chair of the Audit and Risk Assurance Committee are elected from within the Board membership, as is membership of the sub-committees.

Members of the Board have responsibility for ensuring that the GBCC complies with all statutory and administrative requirements for the use of public funds. Other important responsibilities of Board members include:

The Great Britain-China Centre (Limited by Guarantee)

Governance Statement (continued)

- 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.

A full list of Board members who served in the year, including appointment and resignation dates, is presented in the Directors' Report on page 11.

During 2024-25 the number of Board and Committee meetings with individual attendance was as follows:

Director	Board (4)		Audit and Risk Assurance Committee (4)		People and Performance Committee (2)		Business Development & Fundraising Committee (2)	
	Eligible	Attended	Eligible	Attended	Eligible	Attended	Eligible	Attended
M Davidson	4	4			2	2	1	1
A Black	4	3					2	2
R Jackson	4	4	4	4			2	2
A Brock	4	4	3	3			2	2
R Burn	4	4	3	3			2	2
T Danaher	4	3					2	1
L Graham	1	-	1	1				
A Gwynne MP	1	-						
A Kearns MP	4	-						
A MacRae	4	3	1	1			1	1
K Morton	4	2						
A Seaton	4	4			2	2		
M Wheeler	4	2			2	1		
R Wye	4	3			2	2		
D Thomson	4	4						
A Pittam	4	4						
Totals	58	44	12	12	8	7	12	11
Percentage		76%		100%		88%		92%

The Board meetings are governed by the GBCC Articles of Association which determine that a meeting is quorate if seven or more members attend.

GBCC is committed to ensuring high standards of conduct in all that it does. The company's Whistle Blowing policy is designed to make it easy for workers to make disclosures, without fear of retaliation and there are clearly defined channels to raise concerns both internally and externally to the company.

The Great Britain-China Centre (Limited by Guarantee)

Governance Statement (continued)

3. Risk Management

The main risks to GBCC, financial, operational and strategic, are analysed before each Board meeting in the form of a Risk Register, with a traffic light assessment of the likelihood of the risk materialising and the extent of the impact that could occur. A management response to the risks is then outlined and action plans to deal with them given, should they materialise. This is updated and reviewed at each meeting of the Audit and Risk Assurance Committee and at each Board meeting.

Financial risks

GBCC's grant in aid (GiA) has been committed for FY25/26 at £350k, the same level as for the previous three financial years. At a time of rising costs, GBCC needs to raise increasing levels of external income from both institutional and commercial partners. The implications of continued GiA at this level in terms of cuts to the portfolio has been articulated in GBCC's spending review submissions, alongside scenarios of what can be achieved with more ambitious GiA. Any cuts to the GiA or changes in funding policy would be existential to the organisation. Until the results of the spending review are known, GiA remains a significant financial risk to the organisation.

GBCC raises project funds for specific China Capabilities initiatives from HMG/FCDO. China Capabilities is a stated priority of FCDO, and HMG funding mechanisms going forward is currently under discussion. This project funding has allowed GBCC to expand its China Capabilities work into a core strand for the organisation, but it is awarded on an annual basis and as such makes planning difficult beyond in-year delivery. The organisation maintains staffing to deliver future China Capabilities work, the level of which is uncertain at the start of each financial year. The organisation carries a resourcing risk to delivery at pace.

The Future Leaders Programme has been successfully implemented since 2021 with funding from British companies and also FCDO project funds for civil servant participants. Sponsorship and funding decisions however are made on a yearly basis and priorities shift, making it difficult to plan ahead and expand the programme. Adequate funding to the Programme is crucial for its continuation, and poses a financial risk.

GBCC is one of the very few organisations still able to implement legal cooperation projects in China, and manages to obtain grants from external donors. Brexit has not yet led to GBCC being ineligible to apply for relevant EU funds, and GBCC continues to receive grants from both EU and non-EU states. There are however decreasing sources and levels of funding for projects on legal reform and rule of law, due to the lack of progress at a national level in China, operational challenges of implementation, and since China is likely to cease to be eligible for Official Development Assistance funding in the medium term. Large-scale funding mechanisms such as the previous FCDO's China Business Environment Programme have been discontinued and have been replaced by relatively small-scale project funds. With decreasing opportunities to bid for project funds, the risk is that the legal reform portfolio is more difficult to secure.

Operational risks

As travel to China has become the norm again, both for GBCC staff and delegations, there are more opportunities for GBCC to continue to deliver against its strategy. The return to regular travel to China has helped diversify the partner base and mitigate the risk of becoming too reliant on a small number of implementation partners in China.

The frequent changes in the operating environment experienced during the pandemic means GBCC is well placed to deal with both remote and in-person implementation and engagements and the combination of in-person and online events continues. The Launchpad office with one full-time staff in Beijing enables GBCC to operate pro-actively whatever the situation is on the ground. The move to homeworking during COVID restrictions enabled the company to smoothly transition to permanent home/hybrid working in September 2022. At the current GiA level, a full office lease is not affordable. GBCC has a part time office lease agreement with another organisation, giving staff the opportunity to work together once per week. As the

The Great Britain-China Centre (Limited by Guarantee)

Governance Statement (continued)

team grows, the need for more in-person cooperation is becoming clear as is the case for a more permanent office solution.

GBCC advances project funds to partners in China to cover project staff and activity costs. Given the complex bureaucratic rules for project expenditure, especially at Chinese universities, in order to ensure pace of implementation the company will most likely have to continue to advance funds to project partners. If project implementation does not progress according to plan however, it can be difficult for GBCC to retrieve the funds. A balance between the risks of advancing funds with the risk of slow implementation needs to be struck, and contractual and practical safeguards have been put in place to reduce the risk of unrecoverable debts.

GBCC is dependent on a small number of staff which could mean insufficient capacity to deliver especially in the event of staff turnover and/or illness. It can also affect staff well-being since the governance and administrative requirements on GBCC do not change with staff numbers or the level of GiA. GBCC carries a staffing risk.

In today's digital age, the security of company data is increasingly vulnerable to cyber threats. These risks include unauthorized access, data breaches, and ransomware attacks, which can compromise the operations of the company. The consequences of such breaches can be severe, leading to financial loss, reputational damage, and regulatory penalties. To mitigate these risks, it is essential to implement robust cybersecurity measures, including security audits, employee training on cybersecurity best practices, and the use of advanced encryption technologies. The company is working with its information technology partners, to quickly address any security concerns and minimize potential damage, and Cyber GSeC to ensure that the organisation is implementing its cyber security tools appropriately.

Strategic risks

GBCC's projects and engagements are carried out against a background of a difficult and shifting bilateral relationship, and a worsening national security and human rights situation in China, and especially in Xinjiang and Tibet, the deterioration of freedoms in Hong Kong and breaches to the Sino-British Joint Declaration. In addition, the UK sanctioned four Chinese officials and one government-controlled company in response to the human rights abuses in Xinjiang, and the Chinese government counter-sanctioned UK MPs, organisations, academics, and one barristers' chambers, some of which have been recently lifted. A complex bilateral relationship exacerbates the risks associated with the GBCC's work in China, and has the potential to impact negatively on the appetite for China-related engagement amongst key stakeholder groups and in particular UK parliamentarians. The regular rhythm of high level engagement, from the PM down, provides more opportunities to manage risks to GBCC.

Any potential physical or political risks to staff, Board members and external experts travelling to China for GBCC initiatives continued to be closely monitored; however GBCC was able to carry out all planned activities in China.

The current bilateral relationship and wider geopolitical shifts are balanced by opportunities, and the necessity for proactive and diverse engagement with China is greater than ever. There is broad consensus for China Capabilities work, and GBCC is able to offer neutral platforms for China engagement. Having operated in the bilateral space since 1974, GBCC has developed the institutional capital and resilience to navigate the complexities of the UK-China relationship. GBCC's long history and ability to work across political, cultural and linguistic barriers has built trust among stakeholders on both sides. GBCC retained strong relationships both in the UK and in China, and is in a good place to build on this going forward.

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

In sum, the Board continued to consider the possible impact on GBCC's operations of the shifting political landscape and the bilateral relationship but considers GBCC's work to remain not only feasible but increasingly relevant.

Isabel Hilton
Chair

Date 11 March 2026

The Great Britain-China Centre (Limited by Guarantee)
Governance Statement (continued)
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 31 March 2025 and up to the date of approval of the annual report and 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 its size. In particular, the procedures include:

- The drafting by the finance function of an annual budget prepared on a prudent basis, reviewed and amended by the Executive Director and approved by the Board.
- Regular scrutiny by the Audit and Risk Assurance Committee and the Board of the management accounts and the annual report and accounts, which is audited by the Comptroller and Auditor General.
- Formal project management disciplines in line with the requirements of the FCDO and EU project procedures.
- A system of risk assessment and management.
- The regular sign-off of the accounts by the Executive Director and regular discussion with the finance function on all significant issues.

These procedures are continually assessed and improvements adopted as soon as the systems and resources allow. The company implemented new accounting software during FY24/25 and plans to further improve on its procedures and segregation of duties during FY26/27.

Following the EU General Data Protection Regulations (GDPR) coming into effect on 25 May 2018, GBCC has worked closely with the FCDO to ensure all personal data is processed in accordance with the GDPR, and, since 31 January 2020 the UK GDPR successor framework. GBCC takes a risk-based approach to data protection compliance, and endeavours to ensure that all personal data is accurate, secure and relevant to the work of GBCC. In early FY24/25, GBCC underwent an operational audit of its data protection policies, procedures and compliance conducted by the FCDO Internal Audit Department and some deficiencies were identified and an action plan has been put in place to bridge these gaps, namely the company's policies were reviewed and all staff have undergone specific GDPR training.

My review as Accounting Officer of the effectiveness of the system of internal control is informed by the oversight of the ARAC, advice received as necessary from Internal Audit, and I take account of the results of the annual audit undertaken by the NAO. I confirm that 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.

Merethe Borge MacLeod
Executive Director, Company Secretary and Accounting Officer

Date 11 March 2026

The Great Britain-China Centre (Limited by Guarantee)

Directors' Remuneration Report

GBCC has a People and Performance Committee, which is a sub-committee of the Board. It makes recommendation to the Board on all aspects of staff recruitment, employment terms, conditions and remuneration. The committee is made up of the following members:

Sir Martin Davidson	- Chair - resigned 24 April 2025
Isabel Hilton	- Chair - appointed 24 April 2025
Ms Marina Wheeler	- Director
Mr Rod Wye	- Director
Mr Andrew Seaton	- Director

The People and Performance Committee reviews the remuneration of all GBCC staff including the Executive Director based on annual appraisals carried out by the staff line managers. The Committee also reviews the performance management processes. It recommends to the Board pay bands with reference to the FCDO pay bands and when considering bonuses it is mindful of the guidelines used by FCDO, including the recommendations of the Senior Salaries Review Body.

The Directors do not receive remuneration, benefits-in-kind or performance related pay from GBCC. No pay or pension costs are included in GBCC's accounts in respect of the FCDO and British Council nominated Directors who sit on the GBCC Board. As civil servants employed by the FCDO and British Council, they receive no separate remuneration from GBCC for their membership on the Board as this membership is in an ex officio capacity.

Merethe Borge MacLeod, the Executive Director, commenced permanent employment on 4 September 2017. The Executive Director's remuneration in bands is given below. Merethe Borge MacLeod has joined the company's Group Personal Pension Scheme with Standard Life and makes a 6% personal contribution while GBCC makes an 8% Employers Contribution plus a proportion of the national insurance saving when employee contributions are made by salary sacrifice. These figures have been subject to audit:

	2025	2024
In relation to the Executive Director (audited):	£'000	£'000
Salary paid in year and on a full-time equivalent basis (in bands of £5k)	110-115	105-110
Performance related pay (in bands of £5k)	5-10	5-10
Employer pension contributions	9.6	9.2
Total (in bands of £5k)	125-130	120-125

Pension entitlement for each director (audited)

GBCC does not contribute towards the pension arrangements of its Directors (2023-24: none).

Fair pay disclosures (audited)

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the median remuneration of the organisation's workforce as well as earnings at the 25th and 75th percentile. Since the Directors of the company are not remunerated the comparison is against the highest-paid Executive who is the Executive Director.

The calculation is based on the full-time equivalent staff salary and total pay and benefits (salary and performance pay and bonuses payable) of the reporting entity as at 31 March on an annualised basis and includes any temporary staff employed during the year (excluding the highest paid director).

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

	2025	2024
Band of highest paid director's total remuneration (£'000)	115-120	110-115
Median salary (£)	39,298	40,853
Median total pay and benefits (£)	39,730	41,903
25 th percentile salary (£)	32,000	31,000
25 th percentile total pay and benefits (£)	32,000	32,050
75 th percentile salary (£)	54,497	62,850
75 th percentile total pay and benefits (£)	56,355	64,200
 Pay multiples at 31 March:	 2025	 2024
Median pay ratio	3.0	2.7
25 th percentile pay ratio	3.7	3.5
75 th percentile pay ratio	2.1	1.8

The percentage change in total salary and bonuses for the highest paid director and the staff average for 2024-25 were:

	Total salary and allowances	Bonus payments
Highest paid director	5%	-%
Staff average	(7)%	(14)%

The pay multiple has been calculated using the ratio of the pay and benefits total relating to the employee whose remuneration is on the median, 25th and 75th percentile (excluding the Executive Director) to the mid-point of the banded remuneration of the highest-paid Executive. Total remuneration includes salary, non-consolidated performance-related pay and benefits-in-kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

The company employs a small number of staff and any change in the mix of staff remuneration and performance related pay can have a substantial impact on the pay multiple movements year on year. The year end staff headcount was 50% higher at 31 March 2025 than that of the previous year end, with new staff employed at average, or lower than average, pay grades. This reduced the average staff salary and allowances by 7% year on year and reduced the average staff salary and staff total pay across the three percentiles, even though the in-year staff pay increases were in line with FCDO policy. Similarly the staff average performance related pay award reduced 14% year on year although total payments to staff were higher than that of the previous year.

The full time equivalent remuneration of employees, excluding the highest-paid director, ranged from £29,925 to £95,473 (2023-24: £27,000 to £90,360) and in 2024-25 no employees received remuneration in excess of the highest-paid director (2023-24: none).

Staff costs (audited)

The following analysis of staff costs and staff numbers are subject to audit, with the exception of the gender split table.

Staff costs comprise:

	Permanently Employed		2024-25 £	2023-24 £
	Staff	Others	Total	Total
Wages and salaries	335,565	121,784	457,349	396,975
Social security costs	38,109	11,293	49,402	41,295
Other pension costs	24,646	7,364	32,010	25,367
	<u>398,320</u>	<u>140,441</u>	<u>538,761</u>	<u>463,637</u>

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

Average number of staff employed (audited)

The average number of whole-time equivalent persons employed during the year was as follows:

	Permanently Employed Staff	Others	2024-25 No. Total	2023-24 No. Total
Directly employed	<u>5</u>	<u>3</u>	<u>8</u>	<u>7</u>

Staff by gender

The following table shows the number of staff by gender:

	Male	Female	Total
Executive Director	-	1	1
Employees	<u>3</u>	<u>6</u>	<u>9</u>

Staff by grade

No staff, except the Executive Director, are of an equivalent grade to a Senior Civil Servant.

Exit packages (audited)

Redundancy and other departure costs are expected to be paid in accordance with the provisions of the Civil Service Compensation Scheme (CSCS), a statutory scheme made under the Superannuation Act 1972. There were no exit packages agreed in 2024-25 (2023-24: none). No exit costs were paid in 2024-25, the year of departure (2023-24: £nil):

Staff turnover

Staff turnover was nil during the year (2023-24: 25%). The company continues to employ staff on fixed term contracts to meet its project needs. Staff turnover fluctuates as projects come to an end and the company has managed to retain its staff and grow staff numbers during the year.

Off-payroll workers and contract costs

During the year, the company had no off-payroll arrangement for more than £245 per day and lasting longer than six months (2023-24: none). There were no off-payroll arrangements for more than £245 per day and lasting more than six months at 31 March 2025 (31 March 2024: none).

During the year, the company utilised the services of CBBC's staff in China to assist in running its projects. This arrangement was in place at 31 March 2025 and 31 March 2024. The amount incurred during the year was £79,667 (2023-24: £75,744).

Sickness absence data

The average number of sick days taken by staff in the year was 1.2 (2023-24: 3.2).

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

Staff policies on disability

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. Decisions on recruitment, selection, training, promotion and career management are based solely on objective and job-related criteria. The company is committed to making appropriate provisions in order to retain disabled employees.

Isabel Hilton
Chair

Date 11 March 2026

Merethe Borge MacLeod
Executive Director, Company Secretary and Accounting Officer

Date 11 March 2026

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 AND HOUSES OF PARLIAMENT

Opinion on financial statements

I have audited the financial statements of Great Britain-China Centre for the year ended 31 March 2025 under the Government Resources and Accounts Act 2000 (GRAA Order 2009).

The financial statements comprise the Great Britain-China Centre's:

- Statements of Financial Position as at 31 March 2025;
- Statement of Comprehensive Net Expenditure, Statement of Cash Flows and Statement of Changes in Taxpayers' Equity for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and the UK adopted International Accounting Standards.

In my opinion the financial statements:

- give a true and fair view of the state of the Great Britain-China Centre's affairs as at 31 March 2025 and its comprehensive net expenditure for the year then ended;
- have been properly prepared in accordance with the UK adopted International Accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on regularity

In my opinion, in all material respects, the income and expenditure 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.

Basis for opinion

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs (UK)), applicable law and Practice Note 10 *Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (2024)*. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's *Revised Ethical Standard 2024*. I am independent of the Great Britain-China Centre in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the Great Britain-China Centre's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Great Britain-China Centre'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.

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 AND HOUSES OF PARLIAMENT (CONTINUED)

My responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this certificate.

Other information

The other information comprises information included in the Annual Report, but does not include the financial statements and my auditor's certificate thereon. The directors are responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with the Companies Act 2006.

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

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of the Great Britain-China Centre and its environment obtained in the course of the audit, I have not identified material misstatements in the Strategic Report and the Directors' Report.

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 parts of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; 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.

**THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE MEMBERS OF THE GREAT BRITAIN-CHINA CENTRE AND HOUSES OF PARLIAMENT
(CONTINUED)**

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of the Accounting Officer's & Directors' Responsibilities, the directors are responsible for:

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within the Great Britain-China Centre from whom the auditor determines it necessary to obtain audit evidence;
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statement to be free from material misstatement, whether due to fraud or error;
- preparing financial statements, which give a true and fair view, in accordance with the Companies Act 2006;
- preparing the Annual Report, which includes the Directors' Remuneration Report, in accordance with the Companies Act 2006; and
- assessing the Great Britain-China Centre'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 directors either intend to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit and report on the financial statements in accordance with the applicable law and Government Resources and Accounts Act 2000 (GRAA Order 2009).

My 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 a certificate that includes my 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.

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations, including fraud

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud is detailed below.

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, I:

- considered the nature of the sector, control environment and operational performance including the design of the Great Britain-China Centre's accounting policies, key performance indicators and performance incentives.
- inquired of management, head of internal audit at the Foreign, Commonwealth and Development Office and those charged with governance, including obtaining and reviewing supporting documentation relating to the Great Britain-China Centre's policies and procedures on:

**THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE MEMBERS OF THE GREAT BRITAIN-CHINA CENTRE AND HOUSES OF PARLIAMENT
(CONTINUED)**

- identifying, evaluating and complying with laws and regulations;
 - detecting and responding to the risks of fraud; and
 - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the Great Britain-China Centre's controls relating to the Great Britain-China Centre's compliance with the Companies Act 2006, Government Resources and Accounts Act 2000 (GRAA Order 2009) and Managing Public Money.
- inquired of management, head of internal audit at the Foreign, Commonwealth and Development Office and those charged with governance whether:
 - they were aware of any instances of non-compliance with laws and regulations; and
 - they had knowledge of any actual, suspected, or alleged fraud.
- discussed with the engagement team and the relevant internal specialists, including IT Audit, regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the Great Britain-China Centre for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions and bias in management estimates. In common with all audits under ISAs (UK), I am required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of the Great Britain-China Centre's framework of authority and other legal and regulatory frameworks in which the Great Britain-China Centre operates. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the Great Britain-China Centre. The key laws and regulations I considered in this context included Companies Act 2006, Government Resources and Accounts Act 2000 (GRAA Order 2009), Managing Public Money, employment law and tax legislation and the Framework Agreement with the Foreign, Commonwealth and Development Office.

I considered the company's process to prevent, detect and evaluate fraud in expenditure, including a targeted review of potential fraud in non-project costs and manual journals.

Audit response to identified risk

To respond to the identified risks resulting from the above procedures:

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- I enquired of management, the Audit and Risk Assurance Committee concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the Board and internal audit reports;
- I addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements on estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business;
- In addressing the risk of fraud through revenue recognition, I tested a sample of revenue from contracts with customers, including contract assets and contract liabilities to supporting documentation; I tested the basis and assumptions made in the calculation of these balances; and I reviewed the accounting treatment and disclosure for revenue; and
- I completed an assessment of the risk of fraud in expenditure, seeking evidence for a sample of higher risk non-project expenditure.

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 AND HOUSES OF PARLIAMENT (CONTINUED)

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of my certificate.

Other auditor's responsibilities

I am required to obtain sufficient appropriate audit evidence 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 which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control I identify during my audit.

Report

I have no observations to make on these financial statements.

Gareth Davies

12 March 2026

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 2025

	Notes	2025 £	2024 £
Income			
Revenue from customers	3,4	1,451,633	1,715,251
Exchange loss		(4,446)	(4,621)
		<u>1,447,187</u>	<u>1,710,630</u>
Expenditure			
Purchase of goods and services		(1,028,696)	(1,269,145)
Administrative expenses		(817,632)	(665,348)
Total expenditure for the year	6	<u>(1,846,328)</u>	<u>(1,934,493)</u>
Net expenditure for the year		(399,141)	(223,863)
Taxation	8	(13,303)	(22,152)
Interest receivable		10,477	7,457
Comprehensive net expenditure for the year		<u>(401,967)</u>	<u>(238,558)</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 35 to 48 form part of these financial statements.

The Great Britain-China Centre (Limited by Guarantee)
Statement of Financial Position as at 31 March 2025
Company No 01196043

	Notes	2025 £	2024 £
Non-current assets			
Property, plant and equipment	9	7,009	1,763
Deferred taxation	13	1,715	4,174
Total non-current assets		8,724	5,937
Current assets			
Trade and other receivables	10	638,443	330,706
Cash and cash equivalents	11	635,373	1,049,391
Total current assets		1,273,816	1,380,097
Total assets		1,282,540	1,386,034
Current liabilities			
Trade and other payables	12	(646,903)	(698,430)
Total assets less current liabilities		635,637	687,604
Total assets less liabilities		635,637	687,604
Taxpayers' equity			
General fund		635,637	687,604

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 09 October 2025.

Isabel Hilton
Chair

11 March 2026

Merethe Borge MacLeod
**Executive Director, Company Secretary and
Accounting Officer**

11 March 2026

The notes on pages 35 to 48 form part of these financial statements.

The Great Britain-China Centre (Limited by Guarantee)
Statement of Cash Flows for the Year Ended 31 March 2025

	Notes	2025 £	2024 £
Cash flows from operating activities			
Net operating expenditure for the year		(399,141)	(223,863)
Adjustments for:			
Depreciation of tangible assets	9	1,009	301
Unrealised foreign exchange losses		3,510	9,501
(Increase)/decrease in trade and other receivables		(309,150)	119,969
(Decrease) in trade and other payables		(36,434)	(212,579)
Interest received		9,856	7,416
Taxation paid		(25,937)	(29,447)
Taxation received		2,034	875
Net cash outflow from operating activities		(754,253)	(327,827)
Cash flows from investing activities			
Purchase of tangible fixed assets	9	(6,255)	(2,064)
Net cash outflow from investing activities		(6,255)	(2,064)
Cash flows from financing activities			
Grant in aid	16	350,000	350,000
Net cash inflow from financing activities		350,000	350,000
Net increase in cash and cash equivalents		(410,508)	20,109
Cash and cash equivalents at the beginning of the year		1,049,391	1,038,783
Unrealised foreign exchange losses		(3,510)	(9,501)
Cash and cash equivalents at the end of the year	11	635,373	1,049,391

The notes on pages 35 to 48 form part of these financial statements.

The Great Britain-China Centre (Limited by Guarantee)
Statement of Changes in Taxpayers' Equity for the Year Ended 31 March 2025

	Notes	2025 £	2024 £
Balance at the start of the year		687,604	576,162
Comprehensive net expenditure for the year		(401,967)	(238,558)
Grant in aid from FCDO	16	350,000	350,000
Balance at the end of the year		635,637	687,604

The Great Britain-China Centre (Limited by Guarantee)

Notes to the Financial Statements for the Year Ended 31 March 2025

1. Statutory information

The Great Britain-China Centre (GBCC) was established in 1974, and is an executive non-departmental public body. It is a Private Company limited by Guarantee without share capital and is registered in England and Wales. The company's registered number is 01196043 and registered office is Kings Buildings, 16 Smith Square, London SW1P 3HQ. The company's principal activity during the year continued to be the support of a robust and effective UK relationship with China which furthers the UK's national interests by promoting greater UK China capabilities and by supporting dialogues and exchanges between political parties, legal experts and policy-makers on key reform and rule of law issues.

2. Accounting policies

2.1. Basis of preparation of financial statements

Under the legislative authority of the Secretary of State of the Foreign, Commonwealth and Development Office (with the consent of HM Treasury), these financial statements have been prepared in accordance with IFRS as applied in accordance with the provisions of the Companies Act 2006 and in accordance with those parts of the Government Financial Reporting Manual (FReM) that do not conflict with the Companies Act 2006. 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 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 in the accounts. The GBCC has made an accounting policy decision to apply relevant requirements of HM Treasury's FReM when preparing the financial statements, to the extent this is consistent with the Companies Act 2006. This application of the FReM extends to the financial statements only, except for the inclusion of specific FReM-derived disclosures within the Annual Report, including but not limited to exit packages, staff numbers and fair pay disclosures.

As at 31 March 2025, UK-China Forum was wholly controlled by the GBCC. The GBCC financial statements do not consolidate the results of the UK-China Forum as no transactions went through the company in the current or prior years.

2.2. Going Concern

The Directors assess whether the use of the going concern assumption is deemed appropriate, considering whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The Directors make this assessment in respect of a period at least one year from the signing date of these financial statements. The Directors have considered the effects of the reduction in the grant in aid (GiA) in reaching their conclusions, preparing an annual budget, and monitoring performance against it. The company maintains levels of reserves to meet unexpected obligations, and forecasts that adequate resources are maintained in ensuring that the company remains operational for the foreseeable future. The company has cash of £635,373, trade receivables £328,880 and reserves £635,637 at 31 March 2025, and the FCDO's undertaking to support the company for a period of at least twelve months from the date that the 2024-25 accounts are certified by the Comptroller and Auditor General. The financial statements have therefore been prepared on a going concern basis as discussed in the Strategic Report within these financial statements on pages 6 to 8.

2.3. Accounting convention

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards stated above and are prepared in sterling rounded to the nearest pound.

The Great Britain-China Centre (Limited by Guarantee)
Notes to the Financial Statements for the Year Ended 31 March 2025

2. Accounting policies (continued)

2.4. 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 as allowed by IAS 16.

Deferred taxation is included in non-current assets (see Note 2.13).

2.5. 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:

Office equipment	20% on a straight line basis
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2.6. Cash and cash equivalents

Cash is represented by cash in hand and balances with commercial banks on deposit with instant access. Cash and cash equivalents are measured at fair value, based on the relevant exchange rates at the reporting date.

2.7. Foreign currencies

Transactions in foreign currencies are translated at the IHS Markit accounting rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the Oanda.com rate of exchange ruling at the end of the financial year. All differences are taken to the Statement of Comprehensive Net Expenditure.

2.8. Pensions

All new employees were enrolled into a GBCC defined pension contribution scheme with Standard Life from 1 January 2016. Once the contributions have been paid the company has no further payment obligations to this scheme. Contributions are charged to the Statement of Comprehensive Net Expenditure as they become payable in the same way as the PCSPS scheme.

2.9. Leases

For any new contracts entered into, the company considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition the company assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the company,
- the company has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use,
- considering its rights within the defined scope of the contract the company has the right to direct the use of the identified asset throughout the period of use. The company assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

The company currently has no leases that are to be recognised under IFRS 16 (see Note 14 Leases).

2. Accounting policies (continued)

2.9. Leases (continued)

Measurement and recognition of leases

The company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in Statement of Comprehensive Net Expenditure on a straight-line basis over the lease term.

2.10. Accounting estimates and judgements

In the preparation of the financial statements, management has made judgements, estimates and assumptions that affect the amount reported as revenue and expenditure during the year. The most significant judgements are made in recognising revenues and costs relating to service delivery contracts where revenue is recognised throughout the lifetime of the contract. In these contracts, revenue is based on actual chargeable time expended in preparing and delivering the contract activities plus rechargeable third party costs, including expert costs and other activity based charges. The main judgements are around management's view of the recoverability of time and third party costs and when to recognise revenue. Where third party costs are deemed irrecoverable they are charged to the Statement of Comprehensive Net Expenditure.

Management is required to exercise judgement in assessing whether contracts entered into with third parties contain lease arrangements. While this area involves estimation, it was not considered significant in the current financial year. In addition, when the company has an option to extend a lease or terminate a lease early, management has to determine whether or not an option would be reasonably certain to be exercised. In determining whether it is likely to exercise the option, management will take into consideration all facts and circumstances, including their past practice and any additional costs that will be incurred to change the asset should the option be exercised in order to determine the lease term.

2.11. Revenue from contracts with customers

Revenue is recognised under IFRS 15 - Revenue from Contracts with Customers.

GBCC's contracts with customers are service delivery in nature. Grant based contracts require the completion of a series of activities and reports and the smaller non-grant based contracts will generally have a single performance obligation. Where the company receives sponsorship income this will generally be associated with the delivery of a single activity.

Grant based contracts are initially priced on the basis of anticipated hours to complete the activities within the contract plus anticipated rechargeable third party costs. The performance obligations are met over time as the activities are progressed. Revenue is recognised based on the hours actually spent in progressing the contract compared to the total number of hours expected to complete the contract plus agreed rechargeable third party costs. This is considered a faithful depiction of the transfer of services and represents the amount to which GBCC would be entitled based on its performance to date. Where the contract duration is longer than one year, the customer will generally make payment in advance giving rise to significant contract liabilities. Since these contracts reimburse time spent and rechargeable third party costs the only consideration is included in the transaction price. Grant based contracts of less than one year are either due for payment in advance of the contract commencement or at the end of the contract. Contract assets will arise where a contract crosses financial years or when payment is due at the end of the contract. The value of this contract asset corresponds directly to the value to the customer of performance obligations completed at that date.

2. Accounting policies (continued)

2.11. Revenue from contracts with customers (continued)

Non-grant based contracts, including sponsorships, will generally have a single performance obligation. Revenue is recognised at a single point in time on the completion of that performance obligation. Where possible, GBCC will seek to obtain payment in advance of the performance obligation being met. When payment is received for a performance obligation in the next financial year this will give rise to a contract liability.

For most contracts the performance obligations are tailored to the specific requirements of the contract and do not have an alternative use. The time expended on a contract is therefore not transferrable and, in the unlikely event that a customer were to cancel a contract prior to completion, GBCC would require payment to be received for the time spent in progressing the contract to that point.

Within the Statement of Financial Position a contract asset and contract liability have been recognised:

- Contract asset – the difference between the amount invoiced to the customer and the latest milestone achieved. An accompanying receivable will be recognised if the customer has yet to pay the invoice. This balance will also include recognition of a receivable for costs which have been incurred to support milestones that have not yet been fully achieved. Any impairment relating to this balance will be measured, presented and disclosed in relation to IFRS 9.
- Contract liability – the difference between the invoiced income and the latest achieved contracted milestone. An accompanying receivable will be recognised if the customer has yet to pay the invoice.

2.12. Income and expenditure

Income, other than revenue from contracts with customers, is recognised in the period in which it is receivable and expenditure is charged in the period to which it relates. Grant in aid received from the FCDO is treated as financing through the Statement of Changes in Taxpayers' Equity when the cash is received.

The cost of unpaid leave is accrued at the end of the financial year and, as stipulated in IFRS 9, the simplified approach is applied to the impairment of trade receivables.

2.13. Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Net Expenditure.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all condition for retaining associated tax allowances have been met.

2. Accounting policies (continued)

2.13. Current and deferred taxation (continued)

Deferred tax balances are not recognised in respect of permanent differences. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is included within non-current assets.

2.14. Segmental information

Segmental information is defined in IFRS 8. GBCC operates within a single business segment. It is not possible to separately identify the business activities and the net assets into operating segments.

Business performance is reported to the Board at a summarised level which is not materially different to the financial statements.

It is the company's policy to seek funding from governmental and non-governmental institutions. Governmental funding will take the form of grants and non-governmental funding will be service or contract based.

2.15. Financial instruments

IFRS 9 specifies how an entity should classify and measure financial assets, financial liabilities, and some contracts to buy or sell non-financial items (see Note 19).

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through Statement of Comprehensive Net Expenditure (which is normally the transaction price excluding transaction costs).

Derecognition of financial assets occurs if the contractual rights to the cash flows from the asset expire or substantially all of the risks and rewards of ownership of the financial asset have been transferred out of the company. Derecognition of financial liabilities occurs when the contractual obligation is discharged or cancelled or expires.

Financial assets and liabilities are only offset in the Statement of Financial Position when, and only when there exists a legally enforceable right to set off the recognised amounts and the company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2.16. Future application of IFRS 18 – Presentation and disclosure of Financial Statements

IFRS 18 Presentation and Disclosure in Financial Statements was issued by the International Accounting Standards Board (IASB) in April 2024 and is effective for annual reporting periods beginning on or after 1 January 2027. Early adoption is permitted.

IFRS 18 replaces IAS 1 and introduces revised requirements for the presentation of financial statements, including:

- Defined subtotals in the statement of profit or loss, such as Operating Profit and Profit before Financing and Income Taxes.

2. Accounting policies (continued)

2.16. Future application of IFRS 18 – Presentation and disclosure of Financial Statements (continued)

- Categorisation of income and expenses into Operating, Investing, Financing, Income Taxes, and Discontinued Operations.
- Enhanced disclosure of Management-Defined Performance Measures (MPMs) used in public communications.

The standard also requires entities to disclose reconciliations between MPMs and IFRS-defined subtotals, along with explanations of their relevance and calculation.

The application of IFRS 18 is subject to interpretation and adaptation for the public sector context. HM Treasury and the Financial Reporting Advisory Board (FRAB) are currently assessing the implications of IFRS 18 for public sector reporting and will provide guidance through updates to the Financial Reporting Manual.

The company does not intend to adopt IFRS 18 early. The impact of IFRS 18 is expected to be primarily presentational, with no material effect on recognition or measurement of financial statement items. The company will assess the implications of the new presentation and disclosure requirements and will update its financial reporting policies accordingly.

2.17. Future application of IFRS 19 – Subsidiaries without Public Accountability: Disclosures

IFRS 19 Subsidiaries without Public Accountability: Disclosures was issued by the International Accounting Standards Board (IASB) in May 2024 and is effective for annual reporting periods beginning on or after 1 January 2027. Early application is permitted subject to endorsement in the relevant jurisdiction.

IFRS 19 introduces a voluntary reduced disclosure framework for eligible subsidiaries that:

- Do not have public accountability, and
- Have a parent entity that prepares consolidated financial statements in accordance with IFRS Accounting Standards.

The standard allows such entities to apply the recognition, measurement and presentation requirements of full IFRS, while replacing the disclosure requirements with those specified in IFRS 19. This aims to reduce the cost and complexity of preparing financial statements without compromising their usefulness to users.

The company is currently assessing its eligibility and the potential benefits of applying IFRS 19. If adopted, IFRS 19 is expected to result in a reduction in the volume of disclosures, particularly in areas such as financial instruments, leases, and related party transactions.

The application of IFRS 19 is subject to endorsement by the UK Endorsement Board (UKEB) and potential adaptation for the public sector context through updates to the Financial Reporting Manual. The entity will continue to monitor developments and guidance issued by HM Treasury and the Financial Reporting Advisory Board.

No decision has yet been made to adopt IFRS 19 early. The impact of adoption, if elected, will be disclosed in the relevant reporting period.

The Great Britain-China Centre (Limited by Guarantee)
Notes to the Financial Statements for the Year Ended 31 March 2025

3. Segmental information

The company operates in a single business segment and has not produced an operating segment analysis:

	Revenue £	Expenditure £	Net £
2024-25	<u>1,451,633</u>	<u>(1,028,696)</u>	<u>422,937</u>
	Revenue £	Expenditure £	Net £
2023-24	<u>1,715,251</u>	<u>(1,269,145)</u>	<u>446,106</u>

Expenditure relates to the purchase of goods and services from third parties which are attributable to revenue from customers.

4. Disaggregation of revenue from contracts with customers

The company derives revenue from the provision of project based services to customers at a point in time and over time in the following major project types and geographical regions:

2024-25		<u>Grant based</u>			<u>Contract based</u>		Total £
	UK £	Europe £	China £		UK £	China £	
Government							
- UK	780,662	-	-		235,139	-	1,015,801
- EU and other European	-	342,525	21,128		-	-	363,653
Non-Government	-	-	-		72,179	-	72,179
	<u>780,662</u>	<u>342,525</u>	<u>21,128</u>		<u>307,318</u>	<u>-</u>	<u>1,451,633</u>
Point in time	780,662	-	-		119,082	-	899,744
Over time	-	342,525	21,128		188,236	-	551,889
	<u>780,662</u>	<u>342,525</u>	<u>21,128</u>		<u>307,318</u>	<u>-</u>	<u>1,451,633</u>
2023-24		<u>Grant based</u>			<u>Contract based</u>		Total £
	UK £	Europe £	China £		UK £	China £	
Government							
- UK	497,330	-	142,899		52,800	1,488	694,517
- EU and other European	-	643,666	284,213		-	-	927,879
Non-Government	-	-	-		92,855	-	92,855
	<u>497,330</u>	<u>643,666</u>	<u>427,112</u>		<u>145,655</u>	<u>1,488</u>	<u>1,715,251</u>
Point in time	497,330	-	-		8,055	-	505,385
Over time	-	643,666	427,112		137,600	1,488	1,209,866
	<u>497,330</u>	<u>643,666</u>	<u>427,112</u>		<u>145,655</u>	<u>1,488</u>	<u>1,715,251</u>

The income from China is solely derived from UK and European embassies within China.

The amount of revenue recognised in the period that related to contract liabilities at the start of the period was £354,892 (2023-24: £682,573).

The Great Britain-China Centre (Limited by Guarantee)
Notes to the Financial Statements for the Year Ended 31 March 2025

5. Unsatisfied long-term contracts

The unsatisfied performance obligation relating to long-term grant based contracts is £1,005,818. The future revenue recognition will be based on the completion of activities and the time spent in performing the obligations under the contract. Although the timing of the activities are uncertain at the Statement of Financial Position date the anticipated revenue recognition in the next year is 42% of the total with the remaining 58% to be taken in the subsequent financial years.

6. Expenditure

	Notes	2025 £	2024 £
Staff Costs			
Wages and salaries		457,349	396,975
Social security costs		49,402	41,295
Other pension costs		32,010	25,367
		<u>538,761</u>	<u>463,637</u>
Rentals under operating leases		4,861	4,473
Contract staff in China	16	79,667	75,744
Professional fees		47,062	19,158
Irrecoverable VAT		12,124	8,070
Auditors' remuneration		30,500	30,000
50 th Anniversary celebrations		26,583	-
Running costs		75,065	63,965
Non-cash items:			
Depreciation	9	1,009	301
Bad debt expense		2,000	-
Purchase of goods and services	3	<u>1,028,696</u>	<u>1,269,145</u>
		<u>1,846,328</u>	<u>1,934,493</u>

The audit fee for the current year is £30,500 (2023-24: £30,000) and no non-audit work has been carried out by the external auditors.

The company is VAT registered and has both taxable and non-taxable supplies. Irrecoverable VAT is the proportion of input VAT on general activities attributable to the non-taxable supplies.

7. Employees

Average number of employees during the year:

	2025 No.	2024 No.
Administration and activities	6	5
Contract Staff	<u>4</u>	<u>3</u>
Total	<u>10</u>	<u>8</u>

The Great Britain-China Centre (Limited by Guarantee)
Notes to the Financial Statements for the Year Ended 31 March 2025

8. Taxation

Analysis of tax charge for the year	2025	2024
	£	£
Current tax on trading profits	10,337	25,937
Adjustment for prior years	507	(2,034)
Total current tax	10,844	23,903
Deferred tax	2025	2024
	£	£
Origination and reversal of timing differences	1,711	(1,003)
Change in the tax rate on the deferred tax movement	748	(219)
Adjustment for prior years	-	(529)
Total deferred tax charge	2,459	(1,751)
Tax on net expenditure for the year	13,303	22,152

The tax assessed for the year is lower than (2023-24: lower) than the standard rate of corporation tax in the UK of 25% (2023-24: 25%). The differences are explained below:

	2025	2024
	£	£
Net expenditure before taxation	(388,664)	(216,406)
Net expenditure before taxation multiplied by the effective tax in the UK of 19.13% (2023-24: 23.15%) (see Note 13).	(74,351)	(50,098)
The differences are explained below:		
Income not subject to tax	(69,567)	(248,246)
Expenses not subject to tax	77,427	237,654
Non-permanent timing differences	(4)	322
Excess of depreciation over capital allowances	28	198
Expenses not deductible for tax purposes	11,560	4,079
Impact of grant in aid on taxation	66,955	81,025
Re-measurement of deferred tax – change in UK tax rates	748	(219)
Prior year adjustment	507	(2,563)
Total tax charge for the year	13,303	22,152

The Great Britain-China Centre (Limited by Guarantee)
Notes to the Financial Statements for the Year Ended 31 March 2025

9. Property, plant and equipment

2024-25	Office equipment £
Cost	
At 1 April 2024	2,348
Additions	6,255
At 31 March 2025	8,603
Depreciation	
At 1 April 2024	585
Charged in year	1,009
At 31 March 2025	1,594
Net book value	
At 31 March 2025	7,009
At 31 March 2024	1,763
2023-24	Office equipment £
Cost	
At 1 April 2023	284
Additions	2,064
At 31 March 2024	2,348
Depreciation	
At 1 April 2023	284
Charged in year	301
At 31 March 2024	585
Net book value	
At 31 March 2024	1,763
At 31 March 2023	-

10. Trade and other receivables

	2025 £	2024 £
Amounts falling due within one year:		
Trade receivables	328,880	111,989
Deposits and advances	91,717	20,197
Other Debtors	13,677	18,205
Corporation tax	-	2,034
Prepayments	27,245	16,648
Contract assets	176,924	161,633
	638,443	330,706

The Great Britain-China Centre (Limited by Guarantee)
Notes to the Financial Statements for the Year Ended 31 March 2025

10. Trade and other receivables (continued)

Trade receivables increased materially compared to the prior year primarily due to a greater number of projects reaching completion around the financial year end, resulting in a higher volume of invoices raised at that time. Contract assets remained broadly consistent with the previous year, reflecting a similar variance between amounts invoiced to customers and the latest project milestones achieved.

Deposits increased year on year, as the company advanced funds to delivery partners in China in preparation for increased project activity. This contrasts with the prior year, during which several projects had either concluded or were in the process of winding down resulting in the utilisation of previously advanced funds.

Contract assets include £6,349 receivable from project donors based within the European Union (2023–24: £32,028).

11. Cash and cash equivalents

	2025	2024
	£	£
Balances at 1 April	1,049,391	1,038,783
Net change in cash	(414,018)	10,608
	<u>635,373</u>	<u>1,049,391</u>

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

	2025	2024
	£	£
Commercial banks	635,318	1,049,338
Cash in hand	55	53
	<u>635,373</u>	<u>1,049,391</u>

12. Trade and other payables

Amounts falling due within one year:

	2025	2024
	£	£
Corporation tax	10,844	25,937
Other taxes, social security	13,121	27,599
Trade payables	74,334	102,804
Other payables	2,755	2,746
Accruals	210,032	160,230
Contract liabilities	335,817	379,114
	<u>646,903</u>	<u>698,430</u>

At the year end, contract liabilities includes £335,817 (2023-24: £379,114) relating to money received in advance which is included in the cash balance at the year-end.

Contract liabilities represent funds received in advance from donors for the fulfilment of future performance obligations. At the year end, these liabilities primarily related to two newly commenced projects, whereas in the prior year they were associated with projects nearing completion. The corresponding recoverable costs for these projects are recognised within contract assets (See Note 10).

Accruals increased compared to the prior year, consistent with the rise in trade receivables (see Note 10). This was primarily due to a greater number of projects reaching completion at the year end, resulting in an increase in costs incurred but not yet invoiced by suppliers.

The Great Britain-China Centre (Limited by Guarantee)
Notes to the Financial Statements for the Year Ended 31 March 2025

13. Deferred taxation

	2025	2024
	£	£
Deferred capital allowances	(837)	327
Other timing differences	2,552	3,847
Deferred tax asset	<u>1,715</u>	<u>4,174</u>

The company does not have any unused tax losses or tax credits. The deferred tax credit arising from capital allowances and the deferred tax debit from other timing differences are offset within the same corporation tax computation, and therefore have been presented on a net basis.

On 24 May 2021 the Finance (No. 2) Bill became substantively enacted. The bill made a provision to increase the rate of corporation tax from 19% to 25% from 1 April 2023. Where a company has taxable profits exceeding £250,000 the rate of corporation tax will be 25%, with a small profits rate of 19% where taxable profits are £50,000 or less. Marginal relief is brought in to provide a gradual increase in the tax rate of companies where taxable profit lies between £50,001 and £250,000.

In the year to 31 March 2026, the company expects its taxable profits to be less than £50,000. The company has used the effective tax rate of 19.13% in line with the tax charge for 2025 (see Note 8).

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14. Leases

As at 31 March 2025, the company holds licences for storage space and meeting room space that fall within the short term and low value lease exemptions under IFRS 16. Accordingly, these arrangements are not recognised on the balance sheet, and the related licences are charged to the Statement of Comprehensive Net Expenditure on a straight line basis.

At the statement of financial position date, the company does not have any commitments to leases which have not commenced (2023-24: £nil).

15. Pensions

A defined contribution pension scheme with Standard Life was set up for new entrants from 1 January 2016. The charge for the year was £32,010 (2023-24: £25,367) at a contribution rate of 6% (2023-24: 6%). The expected contributions to the plan in the next annual reporting period is £37,416.

At 31 March 2025, pension contribution liability of £nil (2023-24: £nil) is included in other payables (see Note 12).

16. Related party transactions

The FCDO is regarded as a related party. GBCC is an executive non-departmental public body (NDPB) of the FCDO and in 2024-25 GBCC received £350,000 grant in aid (2023-24: £350,000) from the FCDO. During the year the company had various other material transactions with the Department which is a major customer of the company. This included the provision of China Capability services.

The UK-China Forum (UKCF), a dormant company, is also regarded as a related party. The GBCC Chair and the Accounting Officer are members of the UKCF Board along with a former GBCC Board member. In 2024-25 no administration fees were processed through the UKCF as the company has ceased to be used for political dialogues (2023-24: £nil) and GBCC had no recoverable expenses in 2024-25 (2023-24: £nil).

The Great Britain-China Centre (Limited by Guarantee)

Notes to the Financial Statements for the Year Ended 31 March 2025

16. Related party transactions (continued)

The Great Britain-China Education Trust (GBCET) is also regarded as a related party. The GBCC provides employee services to the GBCET. The transactions for employee services with the GBCET for 2024-25 amounted to £7,789 (2023-24: £6,000). As at the financial year end GBCC was due £1,389 (2023-24: £nil) from GBCET in relation to these services.

The China-Britain Business Council (CBBC) was considered a related party until 24 July 2024, the date on which its Chief Executive Officer, Andrew Seaton—who served as a member of the GBCC Board during the financial year—ceased to hold that position. During the year, the company utilised the services of CBBC's staff in China to assist in running its projects. The amount incurred during the year was £79,667 (2023-24: £75,744). In addition during the year the company incurred £25,095 (2023-24: £17,511) on renting meeting room space from CBBC and on consultancy services.

Board directors are considered to be related parties. Katherine Morton and Rod Wye are directors of the company and were engaged to provide speaker and course facilitation services as experts in their respective fields. All fees were on the same commercial basis as other experts engaged in the same services. The amounts incurred during the year were £11,800 (2023-24: £14,200) and £400 (2023-24: £2,400) respectively. As at the financial year end GBCC owed £10,600 (2023-24: £13,453) to Katherine Morton and £nil (2023-24: £400) to Rod Wye for these services.

17. Financial commitments

As at the year end, there were no financial commitments (31 March 2024: £nil).

18. Directors interests

There are no relevant director's interests.

19. Financial instruments

Financial assets comprise of receivables that are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Receivables are initially recognised at fair value and subsequently held at amortised cost after an appropriate provision for expected credit loss.

Financial liabilities comprise trade and other payables, and other financial liabilities. They are initially recognised at the fair value of consideration received, less directly attributable transaction costs. They are subsequently measured at amortised cost.

GBCC's 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 relatively small. The company's credit risk and liquidity risk are also managed by receiving funding in advance of expenditure wherever possible. In practice, multi-year grant based awards are received prior to related expenditure taking place.

The company has a significant level of foreign expenditure and so the company is exposed to foreign exchange risk. This risk is mitigated by seeking to make payments in sterling wherever possible or the company making payments from its foreign currency denominated bank accounts.

20. 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. In addition, GBCC and FCDO entered into a Framework Document in October 2024 which states that in the event of the winding up of the company FCDO shall put in place arrangements to ensure the orderly winding up of the GBCC.

The Great Britain-China Centre (Limited by Guarantee)
Notes to the Financial Statements for the Year Ended 31 March 2025

21. Events after the reporting period

In accordance with the requirements of IAS 10, events after the reporting period are considered up to the date on which the accounts are authorised for issue. This is interpreted as the date of the Certificate and Report of the Comptroller and Auditor General. There were no reportable events after the date of the Statement of Financial Position.

The Board and Accounting Officer authorised these financial statements for issue on the date on which the accounts are certified by the Comptroller and Auditor General.

