

學前弱能兒童家長會

**THE PARENTS' ASSOCIATION OF PRE-SCHOOL
HANDICAPPED CHILDREN
(LIMITED BY GUARANTEE)**

REPORTS AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

學前弱能兒童家長會

THE PARENTS' ASSOCIATION OF PRE-SCHOOL HANDICAPPED CHILDREN

(Limited by Guarantee)

REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021

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學前弱能兒童家長會

THE PARENTS' ASSOCIATION OF PRE-SCHOOL HANDICAPPED CHILDREN

(Limited by Guarantee)

EXECUTIVE COMMITTEE'S REPORT 執行委員會報告

The executive committee presented the annual report and the audited financial statements of the Association for the year ended March 31, 2021.

PRINCIPAL ACTIVITIES 主要作業

During the year, the Association is engaged in promoting welfare of handicapped children, in developing mutual support among the parents and in educating the public with acceptance and understanding about the disables.

BUSINESS REVIEW 業務回顧

The Association falls within reporting exemption for the financial year. Accordingly, the Association is exempted from preparing a business review.

RESULTS 業績

The result of the Association for the year ended March 31, 2021 and the state of the Association's affairs at that date are set out in the financial statements on pages 10 to 20.

PROPERTY, PLANT AND EQUIPMENT 物業、機器及設備

Movements in property, plant and equipment during the year are set out in note 4 to the financial statements.

EXECUTIVE COMMITTEE MEMBERS 執行委員會成員

The executive committee members of the Association during the year and up to the date of this report were:

Chan Kwok Chu
Cheung Kwok Chun
Chu Hiu Ying, Christine
Ho Ngan Fei
Im Fung Kiu
Ip Suk Ying
Lau Chu Lai

學前弱能兒童家長會

THE PARENTS' ASSOCIATION OF PRE-SCHOOL HANDICAPPED CHILDREN

(Limited by Guarantee)

EXECUTIVE COMMITTEE'S REPORT - CONTINUED 執行委員會報告 - 續上頁

EXECUTIVE COMMITTEE MEMBERS - Continued 執行委員會成員 - 續上頁

Lau Kar Wah

Lau Mee Ching

Leung Tsui Han

Li Chui Kum

Mak Yin Yee

Ng Fong Kam

Shek Lin Tai

To Lai Fong

Wong Lai Fa

Wong Sau Sin

Wong Wai Wan

Yuen Chi Hoi, Philip

Chan Yuen Wah, Patty

Leung Yuet Seung

(Date of cessation: January 27, 2021)

(Date of cessation: January 27, 2021)

In accordance with Article 46 of the Articles of Association of the Association, the terms for each executive committee member shall be two years. At the end of every term of office, all executive committee members shall retire from office and eligible for re-election.

EXECUTIVE COMMITTEE'S INTERESTS IN CONTRACTS 執行委員會合約權益

Save as the transaction disclosed in note 6 to the financial statements for which the executive committee members have beneficial interests, no other contracts of significance in relation to the Association's business to which the Association was a party, and in which any executive committee members of the Association had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

ARRANGEMENTS TO ACQUIRE SHARES OR DEBENTURES

執行委員於股份及債券認購之權益

At no time during the year was the Association a party to any arrangement to enable the executive committee members of the Association to acquire benefits by means of the acquisition of shares in or debentures of the Association or its associated corporations.

EQUITY-LINKED AGREEMENTS 股票掛鈎協議

No equity-linked agreements were entered into during the year.

學前弱能兒童家長會

THE PARENTS' ASSOCIATION OF PRE-SCHOOL HANDICAPPED CHILDREN

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EXECUTIVE COMMITTEE'S REPORT - CONTINUED 執行委員會報告 - 續上頁

INDEMNITY OF EXECUTIVE COMMITTEE MEMBERS 執行委員彌償

No permitted indemnity provision (as defined in section 469 of the Hong Kong Companies Ordinance) for the benefit of the executive committee members of the Association has in force in the Association.

AUDITORS 核數師

A resolution will be submitted to the annual general meeting of the Association to re-appoint Ng, Suen, Lau C.P.A. Limited.

On behalf of the Executive Committee



Cheung Kwok Chun
Executive committee member

Hong Kong, **23 SEP 2021**

INDEPENDENT AUDITOR'S REPORT

To the members of
THE PARENTS' ASSOCIATION OF PRE-SCHOOL HANDICAPPED CHILDREN
(Incorporated in Hong Kong with liability limited by guarantee)

Opinion

We have audited the financial statements of The Parents' Association of Pre-School Handicapped Children (the "Association") set out on pages 10 to 20, which comprise the statement of financial position as at March 31, 2021, and the statement of comprehensive income, statement of changes in accumulated funds and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of the Association as at March 31, 2021, and of its financial performance and its cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standard for Private Entities ("HKFRS for Private Entities") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") issued by the HKICPA. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Association in accordance with the HKICPA's *Code of Ethics for Professional Accountants* ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditor's Report Thereon

The executive committee is responsible for the other information. The other information comprises the information included in the executive committee's report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT - CONTINUED

To the members of
THE PARENTS' ASSOCIATION OF PRE-SCHOOL HANDICAPPED CHILDREN
(Incorporated in Hong Kong with liability limited by guarantee)

Responsibilities of Executive Committee and Those Charged with Governance for the Financial Statements

The executive committee is responsible for the preparation of financial statements that give a true and fair view in accordance with HKFRS for Private Entities issued by the HKICPA and the Hong Kong Companies Ordinance, and for such internal control as the executive committee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the executive committee is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the executive committee either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of the report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs 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.

As part of an audit in accordance with HKSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

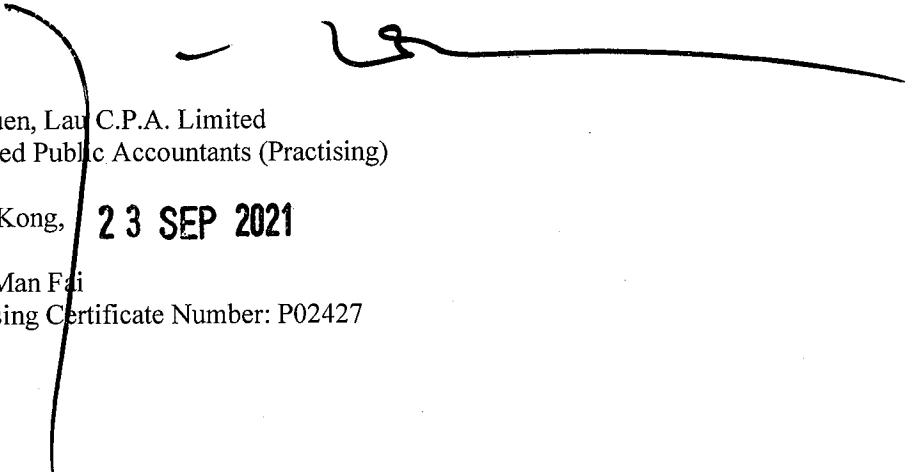
INDEPENDENT AUDITOR'S REPORT - CONTINUED

To the members of
THE PARENTS' ASSOCIATION OF PRE-SCHOOL HANDICAPPED CHILDREN
(Incorporated in Hong Kong with liability limited by guarantee)

Auditor's Responsibilities for the Audit of the Financial Statements - Continued

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the executive committee.
- Conclude on the appropriateness of the executive committee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We 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 that we identify during our audit.



Ng, Suen, Lau C.P.A. Limited
Certified Public Accountants (Practising)

Hong Kong, **23 SEP 2021**

Suen Man Fai
Practising Certificate Number: P02427

獨立核數師報告書

致： 學前弱能兒童家長會成員
(於香港註冊成立的無股本擔保有限公司)

意見

本核數師(以下簡稱「我們」)已審計列載於第十頁至二十頁的學前弱能兒童家長會(以下簡稱「貴協會」)的財務報表，此財務報表包括於二零二一年三月三十一日的財務狀況表與截至該日止年度的全面收益表、儲備變動表及現金流量表，以及財務報表附註，包括主要會計政策概要。

我們認為，該等財務報表已根據香港會計師公會頒佈的《私營企業香港財務報告準則》真實而中肯地反映了貴協會於二零二一年三月三十一日的財務狀況及截至該日止年度的財務表現及現金流量，並已遵照香港《公司條例》妥為擬備。

意見的基礎

我們已根據香港會計師公會頒佈的《香港審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計財務報表承擔的責任」部分中作進一步闡述。根據香港會計師公會頒佈的《專業會計師道德守則》(以下簡稱「守則」)，我們獨立於貴協會，並已履行守則中的其他專業道德責任。我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

刊載於年度報告內其他信息

執行委員會需對其他信息負責。其他信息包括刊載於年度報告內的執行委員會報告，但不包括財務報表及我們的核數師報告。

我們對財務報表的意見並不涵蓋其他信息，我們亦不對該等其他信息發表任何形式的鑒證結論。

結合我們對財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

獨立核數師報告書 - 續

致： 學前弱能兒童家長會成員
(於香港註冊成立的無股本擔保有限公司)

執行委員會與治理層就財務報表須承擔的責任

執行委員會須負責根據香港會計師公會頒佈的《私營企業香港財務報告準則》及香港《公司條例》擬備真實而中肯的財務報表，並對其認為為使財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

在擬備財務報表時，執行委員會負責評估貴協會持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非執行委員會有意將貴協會清盤或停止經營，或別無其他實際的替代方案。

治理層須負責監督貴協會的財務報告過程。

核數師就審計財務報表承擔的責任

我們的目標，是對財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告及按照香港《公司條例》第405條之規定，僅向成員報告，除此以外，本報告並無其他用途。我們不會就核數師報告的內容向任何其他人士負上或承擔任何責任。

合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響財務報表使用者依賴財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據《香港審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴協會內部控制的有效性發表意見。
- 評價執行委員會所採用會計政策的恰當性及作出會計估計和相關披露的合理性。

獨立核數師報告書 - 續

致： 學前弱能兒童家長會成員
(於香港註冊成立的無股本擔保有限公司)

核數師就審計財務報表承擔的責任 - 續

- 對執行委員會採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴協會的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴協會不能持續經營。
- 評價財務報表的整體列報方式、結構和內容，包括披露，以及財務報表是否公允反映交易和事項。

除其他事項外，我們與審計委員會溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

吳孫劉會計師事務所有限公司
執業會計師

香港，

孫文輝會計師
執業證書編號：P02427

學前弱能兒童家長會
THE PARENTS' ASSOCIATION OF PRE-SCHOOL HANDICAPPED CHILDREN
(Limited by Guarantee)

STATEMENT OF FINANCIAL POSITION 財務狀況表

AS AT MARCH 31, 2021 於二零二一年三月三十一日

(Expressed in Hong Kong Dollars 以港幣計算)

	<u>Notes</u> 附註	<u>2021</u>	<u>2020</u>
ASSETS 資產			
Non-current asset 非流動資產			
Property, plant and equipment 物業、機器及設備	4	20,264	29,111
Current assets 流動資產			
Other receivables 其他應收款		100,398	14,523
Deposits and prepayments 按金及預支費用		16,880	14,080
Bank balances and cash 銀行及現金結存	5	7,148,624	6,494,143
		<u>7,265,902</u>	<u>6,522,746</u>
Total assets 資產總額		<u>7,286,166</u>	<u>6,551,857</u>

學前弱能兒童家長會

THE PARENTS' ASSOCIATION OF PRE-SCHOOL HANDICAPPED CHILDREN
(Limited by Guarantee)

STATEMENT OF FINANCIAL POSITION - CONTINUED 財務狀況表 - 續上頁

AS AT MARCH 31, 2021 於二零二一年三月三十一日

(Expressed in Hong Kong Dollars 以港幣計算)

	<u>2021</u>	<u>2020</u>
LIABILITIES AND RESERVES 負債及儲備		
Current liabilities 流動負債		
Other payables 其他應付款	4,319	190
Receipt in advance 預收款	22,033	19,994
Total liabilities 負債總額	<u>26,352</u>	<u>20,184</u>
Reserves 儲備		
General Fund 普通基金	1,620,354	892,213
Development Fund 發展基金	4,288,174	4,288,174
Reserve Fund 儲備基金	1,351,286	1,351,286
	<u>7,259,814</u>	<u>6,531,673</u>
Total liabilities and reserves 負債及儲備總額	<u><u>7,286,166</u></u>	<u><u>6,551,857</u></u>

The accompanying Accounting Policies and Explanatory Notes form an integral part of, and should be read in conjunction with, these financial statements.

會計準則和附註構成此等財務報告之一部份，並應一併使用來閱讀此財務報表。

Approved on behalf of the Executive Committee by:

此等財務報表已交執行委員審議及通過，並由以下代表簽署：



Cheung Kwok Chun
Executive committee member
執行委員



Ng Fong Kam
Executive committee member
執行委員

學前弱能兒童家長會
THE PARENTS' ASSOCIATION OF PRE-SCHOOL HANDICAPPED CHILDREN
(Limited by Guarantee)

STATEMENT OF COMPREHENSIVE INCOME 全面收益表

FOR THE YEAR ENDED MARCH 31, 2021 截至二零二一年三月三十一日止年度
(Expressed in Hong Kong Dollars 以港幣計算)

	<u>2021</u>	<u>2020</u>
Income 收入		
Donations received 捐款收入	43,115	108,681
Donation from Hong Kong Jockey Club Charities Trust 香港賽馬會慈善信託基金津助	1,945,000	2,232,200
Government subvention 政府資助	243,452	246,000
Receipt from Flag Day Fund Raising Event 賣旗收入	-	356,183
Function income 活動收入	440,596	1,053,389
Membership fee 會員費	98,411	50,112
Interest received 銀行利息收入	85,173	111,944
Exchange gain 匯兌收入	290,089	-
Sundry income 其他收入	78,570	24,529
	<u>3,224,406</u>	<u>4,183,038</u>
Expenditure 支出		
Activities expenses 活動支出	688,330	2,101,118
Advertisement 廣告支出	9,372	8,349
Auditor's remuneration 核數師酬金	4,000	-
Bank charge and interest 銀行費用及利息	7,833	8,895
Depreciation 折舊	8,847	10,047
Electricity and water 水電費	15,107	32,340
Exchange loss 匯兌損失	-	229,882
Government rent and rate 政府差餉及地租	8,964	25,569
Insurance 保險費	12,634	25,361
Maintenance fee 保養費	16,865	15,816
Mandatory provident fund 強積金	75,000	70,796
Postage 郵費	5,781	8,142
Printing and stationery 文具及印刷	20,676	17,443
Professional fee 專業費	-	2,905
Rental expenses 租金	83,544	83,544
Salaries 薪金	1,496,374	1,538,119
Sundry expenses 什項	10,345	17,562
Telephone charges 電話費	13,536	9,222
Travelling 舟車	9,146	22,857
Website expenses 互聯網費用	9,911	19,604
	<u>2,496,265</u>	<u>4,247,571</u>
Surplus/(deficit) and total comprehensive income for the year 本年度盈利/(不敷)及全面收益	<u>728,141</u>	<u>(64,533)</u>

The accompanying Accounting Policies and Explanatory Notes form an integral part of, and should be read in conjunction with, these financial statements.
會計準則和附註構成此等財務報告之一部份，並應一併使用來閱讀此財務報表。

學前弱能兒童家長會
THE PARENTS' ASSOCIATION OF PRE-SCHOOL HANDICAPPED CHILDREN
(Limited by Guarantee)

STATEMENT OF CHANGES IN ACCUMULATED FUNDS 儲備變動表

FOR THE YEAR ENDED MARCH 31, 2021 截至二零二一年三月三十一日止年度

(Expressed in Hong Kong Dollars 以港幣計算)

	General fund 普通基金	Development fund 發展基金	Reserve fund 儲備基金	Total 總額
<u>Year 2020</u>				
Balance brought forward 上年度結轉	956,746	4,288,174	1,351,286	6,596,206
Total comprehensive income for the year 本年度全面收益	(64,533)	-	-	(64,533)
Balance carried forward 餘轉入下年度	892,213	4,288,174	1,351,286	6,531,673
<u>Year 2021</u>				
Balance brought forward 上年度結轉	892,213	4,288,174	1,351,286	6,531,673
Total comprehensive income for the year 本年度全面收益	728,141	-	-	728,141
Balance carried forward 餘轉入下年度	1,620,354	4,288,174	1,351,286	7,259,814

學前弱能兒童家長會
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STATEMENT OF CASH FLOWS 現金流量表

FOR THE YEAR ENDED MARCH 31, 2021 截至二零二一年三月三十一日止年度

(Expressed in Hong Kong Dollars 以港幣計算)

	Note 附註	2021	2020
Cash flows from operating activities 經營活動現金流量			
Cash receipts from donors 來自捐獻者之現金收益		1,988,115	2,697,064
Cash receipts from service users 來自服務使用者之現金收益		823,830	1,326,718
Cash receipts from government subvention 來自政府資助之現金收益		243,452	246,000
Cash paid to suppliers and employees 用於支付供應商及員工之現金支出		(2,486,089)	(4,240,877)
Net cash generated from operating activities 經營業務所得之現金淨額		<u>569,308</u>	<u>28,905</u>
Cash flows from investing activities 投資活動現金流量			
Purchase of property, plant and equipment 購買物業、機器及設備		-	(12,846)
Decrease in time deposits with original maturity over three months 原到期日為三個月以上之銀行存款減少		3,472,748	121,381
Interest received 已收銀行利息收益		85,173	111,944
Net cash generated from investing activities 投資活動所得之現金淨額		<u>3,557,921</u>	<u>220,479</u>
Net increase in cash and cash equivalents 現金及現金等價物增加		4,127,229	249,384
Cash and cash equivalents at beginning of the year 於年初之現金及現金等價物		<u>3,021,395</u>	<u>2,772,011</u>
Cash and cash equivalents at end of the year 於年末之現金及現金等價物		<u><u>7,148,624</u></u>	<u><u>3,021,395</u></u>
Analysis of the balance of cash and cash equivalents 現金及現金等價物分析			
Bank balances and cash 銀行及現金結存	5	<u><u>7,148,624</u></u>	<u><u>3,021,395</u></u>

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1. GENERAL 一般資料

The Association was incorporated under the Hong Kong Companies Ordinance on January 29, 2001 as a company limited by guarantee and not having a share capital. The liability of each member is limited to the extent of HK\$10. The operating address of the Association is Unit 1-2A, G/F., Tsz Fung House, Fung Tak Estate, Diamond Hill, Kowloon, Hong Kong.

The principal activities of the Association are to promote welfare of handicapped children, develop mutual support among the parents and educate the public with acceptance and understanding about the disables.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES 編製基準及會計政策

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standard for Private Entities issued by the Hong Kong Institute of Certified Public Accountants. These financial statements also comply with the applicable requirements of the Hong Kong Companies Ordinance. They have been prepared using the historical cost convention.

a. Property, plant and equipment 物業、機器及設備

Property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment loss.

Depreciation is provided to write off the cost of property, plant and equipment over their estimated useful lives using the straight line method at the following rates per annum:

Leasehold improvement	20%
Furniture, fixture and equipment	20%

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of an asset, the depreciation of that asset is revised prospectively to reflect the new expectations.

b. Impairment of assets 資產減值

At each year end date, property, plant and equipment are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

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2. BASIS OF PREPARATION AND ACCOUNTING POLICIES - Continued
編製基準及會計政策 - 續上頁

b. Impairment of assets - Continued 資產減值 - 續

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (group of related assets) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

c. Other receivables 其他應收款

Other receivables are stated at estimated realisable value after each debt has been considered individually. Where the payment of a debt becomes doubtful a provision is made and charged to profit or loss.

d. Cash and cash equivalents 現金及現金等價物

Cash and cash equivalents includes cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less. Bank overdraft is shown within borrowings in current liabilities on the statement of financial position.

e. Other payables 其他應付款

Other payables are initially measured at transaction price and subsequently measured at amortised cost using the effective interest method.

f. Revenue recognition 收入確認

Membership fee and donation are recognised as income on cash basis.

Subsidy income is recognised when the entitlement is established.

Function income and service fee are recognised when services have been provided.

Interest income is recognised using effective interest method.

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2. BASIS OF PREPARATION AND ACCOUNTING POLICIES - Continued
編製基準及會計政策 - 續上頁

g. Leases 租賃

Rental payable under operating leases are charged to profit or loss on a straight-line basis over the term of relevant lease.

h. Foreign currency translation 外幣換算

(i) Functional and presentation currency 運作及呈列貨幣

Items included in the financial statements are measured using the currency of the primary economic environment in which the Association operates (the functional currency). The financial statements are presented in Hong Kong Dollars, which is the Association's functional and presentation currency.

(ii) Transactions and balances 交易及結餘

Foreign currency translations are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

i. Employee benefits 僱員福利

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material these amounts are stated at their present values.

The Association operates Mandatory Provident Fund retirement benefit scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance, for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' relevant income and are charged to profit or loss as the Association become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Association in an independently administrated trust fund. The Association's employer contributions vest fully with the employees when contributed into the MPF Scheme.

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3. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENT

關鍵會計估計及假設

Estimates and judgment are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Association makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Useful lives of property, plant and equipment

The Association's management determines the estimated useful lives and related depreciation for its property, plant and equipment. The estimates are based on the historical experience of the actual useful lives of property, plant and equipment of similar nature and functions.

4. PROPERTY, PLANT AND EQUIPMENT 物業、機器及設備

	<u>Leasehold improvement</u>	<u>Furniture, fixture and equipment</u>	<u>Total</u>
<u>Cost</u> 原值			
As at 01.04.2020 and 31.03.2021	1,189,525	1,085,628	2,275,153
<u>Accumulated depreciation</u> 累積折舊			
As at 01.04.2020	1,189,525	1,056,517	2,246,042
Charge for the year	-	8,847	8,847
As at 31.03.2021	1,189,525	1,065,364	2,254,889
<u>Carrying amount</u> 淨賬面值			
As at 31.03.2021	-	20,264	20,264

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5. <u>BANK BALANCES AND CASH</u> 銀行及現金結存	<u>2021</u>	<u>2020</u>
Cash at bank and in hand 銀行結餘及現金	7,148,624	3,021,395
Time deposit with original maturity over three months 原到期日為三個月以上之銀行存款	-	3,472,748
	<u>7,148,624</u>	<u>6,494,143</u>

6. EXECUTIVE COMMITTEE MEMBERS' REMUNERATION 執行委員會成員酬金

Executive committee members' remuneration disclosed pursuant to section 383(1) of the Companies Ordinance is as follows:

	<u>2021</u>	<u>2020</u>
Fees	-	-
Other emoluments	-	-
Contributions to defined contribution plan	-	-
	<u>-</u>	<u>-</u>

7. LEASE COMMITMENTS 租賃承擔

At the reporting date, the Association had outstanding commitments under non-cancellable operating leases in respect of rented premises. Total commitments to be payable are as follows:

	<u>2021</u>	<u>2020</u>
Within one year	83,544	83,544
In the second to fifth years inclusive	-	83,544
	<u>83,544</u>	<u>167,088</u>

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8. EVENTS AFTER THE END OF THE REPORTING PERIOD 報告期結束後的事件

After the outbreak of Coronavirus Disease 2019 (“COVID-19 outbreak”) in early 2020, a series of precautionary and control measures have been implemented by countries worldwide and have affected global businesses and economic activities to some extent. Accordingly, the assessment of the recoverability of the Association’s assets carrying amounts are based on conditions existing as at March 31, 2021 and does not include the effects from the COVID-19 outbreak after March 31, 2021.

Given the macro-economic uncertainties experienced after the reporting period, developments in the COVID-19 outbreak could affect the Association’s earnings, cash flows and financial conditions in the next financial period. The extent of the impact cannot be determined at this juncture.

9. APPROVAL OF FINANCIAL STATEMENTS 批准財務報告

These financial statements have been approved and authorised to issue by the Executive Committee on

23 SEP 2021
