

獻愛長者慈善社有限公司
GIVING LOVE ELDERLY CHARITABLE LIMITED

REPORT AND AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2016

何樂貝會計師事務所有限公司
HO, LOK & PUI CPA LIMITED

獻愛長者慈善社有限公司
GIVING LOVE ELDERLY CHARITABLE LIMITED

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獻愛長者慈善社有限公司
GIVING LOVE ELDERLY CHARITABLE LIMITED

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31ST MARCH 2016

The directors have pleasure in presenting their annual report and the audited financial statements for the year ended 31st March 2016.

PRINCIPAL ACTIVITY

The principal activity of the company is provision of elderly charitable services. There was no significant change in the nature of the company's principal activity during the year.

FINANCIAL RESULTS AND STATE OF AFFAIRS

The results of the company for the year ended 31st March 2016 and the state of the company's affairs as at that date are set out in the financial statements on pages 5 to 11.

DIVIDEND AND RESERVE

In accordance with the company's Memorandum of Association, no dividend shall be made to the member of the company. The directors do not recommend the transfer of any amount to reserve for the year.

PLANT AND EQUIPMENT

Details of the movements in the plant and equipment during the year are set out in note 7 to the financial statements.

DIRECTORS

The directors of the company during the year and up to the date of this report were as follows:

Chim Terence
Cho Cheun Yu
Chong Ching Lam (appointed on 1st February 2016)
Lo Siu Yin
Mao Fan
Wat Mo Fong (deceased on 1st February 2016)

In accordance with Articles No.36 of the company's Articles of Association, all directors shall retire from office at the third annual general meeting next after that at which he is elected, but shall be eligible for re-election.

The company did not enter into any contract, other than the contracts of service with the directors or any person engaged in the full-time employment of the company, whereby any individual, firm or body corporate undertakes the management and administration of the whole, or any substantial part of any business of the company.

獻愛長者慈善社有限公司
GIVING LOVE ELDERLY CHARITABLE LIMITED

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31ST MARCH 2016

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

At no time during the year was the company a party to any arrangements to enable the directors of the company to acquire benefits by means of the acquisition of shares in, or debentures of, the company or any other body corporate.

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE


No contract of significance to which the company was a party and in which a director of the company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

AUDITORS

The company's auditors, Messrs. Ho, Lok & Pui CPA Limited, Certified Public Accountants, retire and, being eligible, offer themselves for re-appointment.

A resolution will be submitted to the annual general meeting to re-appoint Messrs. Ho, Lok & Pui CPA Limited, Certified Public Accountants, as auditors of the company.

By Order of the Board


Chim Terence
Director
Hong Kong, 21 DEC 2017

何樂貝會計師事務所有限公司
HO, LOK & PUI CPA LIMITED
Certified Public Accountants

Directors: Tom S.T. Ho FCPA (Practising), ACA, FCCA, MBA 何兆棠 執業會計師
John K.C. Lok FCPA (Practising), ACA, FCCA, MBA, MSC 樂錦壯 執業會計師
Eddy C.W. Pui FCPA (Practising), BBA 貝朝榮 執業會計師

15/F., Chung Pont Commercial Building, 300 Hennessy Road, Wanchai, Hong Kong
香港灣仔軒尼詩道 300 號中邦商業大廈 15 樓 電話 Tel:2836 3189 傳真 Fax:2234 0834

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF GIVING LOVE ELDERLY CHARITABLE LIMITED
獻愛長者慈善社有限公司
(incorporated in Hong Kong with limited liability)

We have audited the financial statements of Giving Love Elderly Charitable Limited ("the Company") set out on pages 5 to 11, which comprise the statement of financial position as at 31st March 2016, and the income statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Directors' Responsibility for the Financial Statements

The directors are responsible for the preparation of financial statements in accordance with the Small and Medium-sized Entity Financial Reporting Standard (SME-FRS) issued by the Hong Kong Institute of Certified Public Accountants and the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. This report is made solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance (Cap. 622), and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our audit in accordance with Hong Kong Standards on Auditing and with reference to Practice Note 900 (Revised) "Audit of Financial Statements Prepared in Accordance with the Small and Medium-sized Entity Financial Reporting Standard" issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

何樂貝會計師事務所有限公司

HO, LOK & PUI CPA LIMITED

Certified Public Accountants

Directors: Tom S.T. Ho FCPA (Practising), ACA, FCCA, MBA 何兆棠 執業會計師
John K.C. Lok FCPA (Practising), ACA, FCCA, MBA, MSC 樂錦壯 執業會計師
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GIVING LOVE ELDERLY CHARITABLE LIMITED

獻愛長者慈善社有限公司

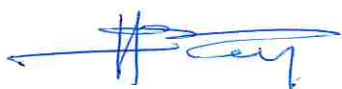
(incorporated in Hong Kong with limited liability)

Auditor's Responsibility

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements of the Company for the year ended 31st March 2016 are prepared, in all material respects, in accordance with the SME-FRS and have been properly prepared in compliance with the Hong Kong Companies Ordinance.



Ho, Lok & Pui CPA Limited
Certified Public Accountants
Hong Kong, 21 DEC 2017

Ho Siu Tong
Practising Certificate Number P04291

獻愛長者慈善社有限公司
GIVING LOVE ELDERLY CHARITABLE LIMITED

INCOME STATEMENT
FOR THE YEAR ENDED 31ST MARCH 2016

	<i>Note</i>	2016 <u>HK\$</u>	2015 <u>HK\$</u>
REVENUE	3	996,498	1,258,255
DIRECT COSTS		(15,000)	(23,033)
		<u>981,498</u>	<u>1,235,222</u>
ADMINISTRATIVE EXPENSES		(1,060,533)	(1,263,662)
DEFICIT BEFORE TAX	4	<u>(79,035)</u>	<u>(28,440)</u>
INCOME TAX EXPENSE	6	-	-
DEFICIT FOR THE YEAR		<u>(79,035)</u>	<u>(28,440)</u>
RETAINED SURPLUS BROUGHT FORWARD		175,609	204,049
RETAINED SURPLUS CARRIED FORWARD		<u><u>96,574</u></u>	<u><u>175,609</u></u>


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

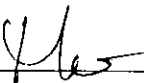
獻愛長者慈善社有限公司
GIVING LOVE ELDERLY CHARITABLE LIMITED

STATEMENT OF FINANCIAL POSITION
AS AT 31ST MARCH 2016

	<i>Note</i>	2016 <u>HK\$</u>	2015 <u>HK\$</u>
NON-CURRENT ASSETS			
Plant and equipment	7	46,128	23,772
CURRENT ASSETS			
Rental and utilities deposits		34,000	34,000
Cash and bank balances		119,386	182,557
		153,386	216,557
Less: CURRENT LIABILITIES			
Accruals		102,940	64,720
NET CURRENT ASSETS		50,446	151,837
NET ASSETS		96,574	175,609
MEMBERS' EQUITY			
RETAINED SURPLUS		96,574	175,609
	8	96,574	175,609

Approved by the Board of Directors on 21 DEC 2017


Chim Terence
Director


Mao Fan
Director

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

獻愛長者慈善社有限公司
GIVING LOVE ELDERLY CHARITABLE LIMITED

ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL
STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2016

REPORTING ENTITY

Giving Love Elderly Charitable Limited is a company incorporated in Hong Kong with limited liability by guarantee. The company's registered office is located at M/F., No. 240 Tai Po Road, Sham Shiu Po, Kowloon, Hong Kong. The principal activity of the company is provision of elderly charitable services.

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The company qualifies for the reporting exemption as a small private company under section 359(1)(a) of the Hong Kong Companies Ordinance (Cap. 622) and is therefore entitled to prepare and present its financial statements in accordance with the Small and Medium-sized Entity Financial Reporting Standard (SME-FRS) issued by the Hong Kong Institute of Certified Public Accountants.

These financial statements comply with the SME-FRS and have been prepared under the accrual basis of accounting and on the basis that the company is a going concern.

The measurement base adopted is the historical cost convention.

The following are the specific accounting policies that are necessary for a proper understanding of the financial statements:

a) Revenue

Revenue is recognised when it is probable that the economic benefits will flow to the company and when the revenue can be measured reliably, on the following bases:

- (i) donation and public subscription are recognized when the money is received; and
- (ii) income from functions is recognized when the associated functions are rendered to the customer.

b) Plant and equipment

Plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

The depreciable amount of an item of plant and equipment is allocated on a systematic basis over its estimated useful life using the straight-line method. The principal annual rates used for depreciation are as follows:

Leasehold improvement	25%
Plant and machinery	30%
Furniture and equipment	20%

ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL
STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2016

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONT.)

c) Foreign exchange

The reporting currency of the company is Hong Kong Dollars, which is the currency of the primary economic environment in which the company operates.

Foreign currency transactions are converted at the exchange rate applicable at the transaction date. Foreign currency monetary items are translated into Hong Kong Dollars using exchange rates applicable at the end of the reporting period. Gains and losses on foreign exchange are recognised in the income statement.

d) Impairment of assets

An assessment is made at the end of each reporting period to determine whether there is any indication of impairment or reversal of previous impairment, including items of property, plant and equipment, intangible assets and long-term investments. In the event that an asset's carrying amount exceeds its recoverable amount, the carrying amount is reduced to recoverable amount and an impairment loss is recognised in the income statement. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount, however not to an amount higher than the carrying amount that would have been determined (net of amortisation or depreciation), had no impairment losses been recognised for the asset in prior years.

e) Leases

Leases where substantially all the risks and rewards of ownership of assets are not transferred to the lessee are accounted for as operating leases. Annual rents applicable to such operating leases are charged to the income statement on a straight-line basis over the lease term.

f) Employee benefits

The company operates a defined contribution plan, a Mandatory Provident Fund (MPF) Scheme under the MPF Scheme Ordinance, for employees. The contribution payable to the scheme in exchange for the service rendered by an employee to the company during the year is recognized as an expense and a liability, after deducting any contribution already paid.

g) Related parties

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence.

獻愛長者慈善社有限公司
GIVING LOVE ELDERLY CHARITABLE LIMITED

ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2016

2. LIMITED LIABILITY BY GUARANTEE

Every member of the company undertakes to contribute to the assets of the company, in the event of its being wound up while he is a member, or within one year after he ceased to be a member, for payment of the debts and liabilities of the company contracted before he ceases to be a member, and of the costs, charges and expenses of winding-up, and for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding HK\$10.

3. REVENUE

An analysis of the company's revenue is as follows:

	2016 <u>HK\$</u>	2015 <u>HK\$</u>
Donation received	832,170	942,047
Public subscription	142,548	272,660
Income from functions	21,780	43,548
	<u>996,498</u>	<u>1,258,255</u>

The net income from the public subscription has been used for financing the company's daily operation cost.

4. DEFICIT BEFORE TAX

Deficit before tax is arrived at:

	2016 <u>HK\$</u>	2015 <u>HK\$</u>
After charging the following items:		
Auditors' remuneration	11,000	10,000
Depreciation	21,644	15,644
Operating lease rental in respect of leased premises	180,000	180,000
Staff costs (excluding directors' remuneration)		
- Salaries and welfare	535,723	613,000
- Contributions to mandatory contribution fund	22,330	26,780
	<u>22,330</u>	<u>26,780</u>

獻愛長者慈善社有限公司
GIVING LOVE ELDERLY CHARITABLE LIMITED

ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2016

5. DIRECTORS' REMUNERATION

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

	2016 <u>HK\$</u>	2015 <u>HK\$</u>
Fees	-	-
Other emoluments	<u>-</u>	<u>-</u>

6. INCOME TAX EXPENSE

The company, being a charitable institution, is exempted from Hong Kong profits tax under Section 88 of the Inland Revenue Ordinance.

7. PLANT AND EQUIPMENT

	Leasehold improvement <u>HK\$</u>	Plant and machinery <u>HK\$</u>	Furniture and equipment <u>HK\$</u>	Total <u>HK\$</u>
Cost:				
As at 1 st April 2015	20,000	59,600	220,295	299,895
Additions during the year	44,000	-	-	44,000
As at 31 st March 2016	64,000	59,600	220,295	343,895
Accumulated depreciation and impairment losses:				
As at 1 st April 2015	20,000	59,600	196,523	276,123
Depreciation for the year	11,000	-	10,644	21,644
As at 31 st March 2016	31,000	59,600	207,167	297,767
Net carrying amount:				
As at 31 st March 2016	<u>33,000</u>	<u>-</u>	<u>13,128</u>	<u>46,128</u>
As at 31 st March 2015	<u>-</u>	<u>-</u>	<u>23,772</u>	<u>23,772</u>

獻愛長者慈善社有限公司
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ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2016

8. CHANGES IN EQUITY

	Retained surplus <u>HK\$</u>
Balance as at 31 st March 2014	204,049
Deficit for the year	(28,440)
Balance as at 31 st March 2015	<u>175,609</u>
Deficit for the year	(79,035)
Balance as at 31 st March 2016	<u><u>96,574</u></u>

9. COMMITMENTS UNDER OPERATING LEASES

The company had the following total future minimum lease payments payable under non-cancellable operating leases:

	2016 <u>HK\$</u>	2015 <u>HK\$</u>
Not later than one year	180,000	90,000
Later than one year	90,000	-
	<u><u>270,000</u></u>	<u><u>90,000</u></u>

11. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were authorised for issue by the company's Board of Directors on 21 DEC 2017 .

THE FOLLOWING SCHEDULE DOES NOT FORM PART OF THE
AUDITED FINANCIAL STATEMENTS

獻愛長者慈善社有限公司
GIVING LOVE ELDERLY CHARITABLE LIMITED

DETAILED INCOME STATEMENT
FOR THE YEAR ENDED 31ST MARCH 2016

	For information of management only	
	2016	2015
	<u>HK\$</u>	<u>HK\$</u>
REVENUE		
Donation received	832,170	942,047
Public subscription	142,548	272,660
Income from functions	21,780	43,548
	996,498	1,258,255
Less: DIRECT COSTS		
Direct costs on public subscription	15,000	23,033
GROSS SURPLUS	<u>981,498</u>	<u>1,235,222</u>
Less: ADMINISTRATIVE EXPENSES		
Audit fee	11,000	10,000
Bank charges	19,727	13,210
Computer expenses	-	16,945
Consumables	14,057	4,680
Depreciation	21,644	15,644
Function expenses	185,820	315,187
Printing and stationery	26,284	16,213
Professional fee	13,580	9,100
Rent	180,000	180,000
Repair and maintenance	6,400	20,610
Staff salaries and welfare	558,053	639,780
Sundry expenses	2,850	2,098
Telephone and communication	4,468	4,443
Utilities	16,650	15,752
	1,060,533	1,263,662
DEFICIT BEFORE TAX	<u>(79,035)</u>	<u>(28,440)</u>