

CARE FOR THE ELDERLY ASSOCIATION LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2016

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Y.T. LO & CO.
Certified Public Accountants (Practising)
盧 葉 堂 會 計 師 行

CARE FOR THE ELDERLY ASSOCIATION LIMITED
REPORT OF THE EXECUTIVE COMMITTEE

The executive committee present herewith their annual report and the audited financial statements for the year ended 31st March 2016.

PRINCIPAL ACTIVITIES

Care For The Elderly Association Limited ("the Association") is a company incorporated and domiciled in Hong Kong and has its registered office and principal place of business at Flat 2A Ming Tak Centre, 135-137 Tung Chau Street, Kowloon. The association's principal activity is promoting the welfare of aged persons by organizing charitable fund-raising. There has been no significant change during the year.

RESULTS AND APPROPRIATIONS

The results of the Association for the year ended 31st March 2016 and the state of the Association's affairs as at that date are set out in the company's financial statements on pages 5 to 9.

EXECUTIVE COMMITTEE MEMBERS

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

Ng Ting Shan (Chairman)
Chau Yin Ming, Francis
Kwok Kit Tung
Lee Yuk Chi
Lui Hing Chung
Ma Kam Wah
Man Siu Ling
Tik Chi Yuen
Yu Shun Ngo

In accordance with Clause 35 of the Association's Articles of Association, the term of office of the executive committee members is two year.

The following executive committee members will retire at the forthcoming annual general meeting, and being eligible, offer themselves for re-election:

Ng Ting Shan
Lui Hing Chung
Ma Kam Wah

CARE FOR THE ELDERLY ASSOCIATION LIMITED
REPORT OF THE EXECUTIVE COMMITTEE

EXECUTIVE COMMITTEE MEMBER'S INTEREST

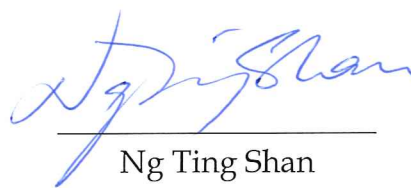
In the opinion of executive committee, there were no contracts of significance to which the Association was a party and in which any executive committee member had a material interest subsisted at the end of the year or at any time during the year.

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

AUDITOR

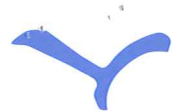
A resolution will be submitted to the annual general meeting to re-appoint Messrs. Y. T. Lo & Co., Certified Public Accountants (Practising) as auditor of the company.

On Behalf of the Executive Committee

A handwritten signature in blue ink, appearing to read 'Ng Ting Shan', is written over a horizontal line.

Ng Ting Shan
Chairman

Date : 19th October 2016



INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
CARE FOR THE ELDERLY ASSOCIATION LIMITED
(Incorporated in Hong Kong with limited liability)

We have audited the financial statements of Care For The Elderly Association Limited ("the Association") set out on pages 5 to 9, which comprise the statement of financial position as at 31st March 2016, the statement of income and retained earnings, statement of financial position, and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

EXECUTIVE COMMITTEE MEMBER'S RESPONSIBILITY FOR THE FINANCIAL
STATEMENTS

The executive committee members are responsible for the preparation of financial statements that give a true and fair view in accordance with the Hong Kong Financial Reporting Standard for Private Entities issued by the Hong Kong Institute of Certified Public Accountants and the Hong Kong Companies Ordinance, and for such internal control as the executive committee members 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 and to report our opinion solely to you, as a body, 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 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 and true and fair presentation 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 executive committee members, as well as evaluating the overall presentation of the financial statements.



INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
CARE FOR THE ELDERLY ASSOCIATION LIMITED
(CONTINUATION)

AUDITOR'S RESPONSIBILITY (CONT'D)

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 give a true and fair view of the state of the Association's affairs as at 31st March 2016 and of its profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards for Private Entities and have been properly prepared in accordance with the Hong Kong Companies Ordinance.

Y. T. Lo & Co.
Certified Public Accountants (Practising)
Hong Kong

Date : 19th October 2016



CARE FOR THE ELDERLY ASSOCIATION LIMITED
STATEMENT OF INCOME AND
RETAINED EARNINGS
FOR THE YEAR ENDED 31ST MARCH 2016

	Note	2016 HK\$	2015 HK\$
INCOME			
Net Income from Raffle Ticket	(3)	653,698.52	349,952
Donation		960.80	861
Bank Interest Income		14.00	7
		<hr/>	<hr/>
		654,673.32	350,820
LESS : EXPENSES			
Administration Fee		168,000.00	156,000
Audit Fee		10,000.00	10,000
Bank Charge		550.00	610
Membership Fee		550.00	550
Printing and Stationery		6,150.00	5,083
Program Expenses		93,278.10	30,649
Sundry Expense		1,418.26	2,044
Telephone		180.00	120
Web-site Maintenance		3,852.00	31,049
		<hr/>	<hr/>
		283,978.36	236,105
		<hr/>	<hr/>
SURPLUS FOR THE YEAR		370,694.96	114,715
RETAINED EARNINGS AT START OF YEAR		1,293,704.00	1,178,989
		<hr/>	<hr/>
RETAINED EARNINGS AT END OF YEAR		<u>\$1,664,398.96</u>	<u>\$1,293,704</u>

The notes on pages 8 to 9 form part of these financial statements.



CARE FOR THE ELDERLY ASSOCIATION LIMITED
STATEMENT OF FINANCIAL POSITION
AT 31ST MARCH 2016

	2016 HK\$	2015 HK\$
CURRENT ASSETS		
Prepayment	18,920.00	-
Cash and Bank Balance	2,592,266.11	2,224,954
	<u>2,611,186.11</u>	<u>2,224,954</u>
CURRENT LIABILITIES		
Accrued Expenses	46,787.15	31,250
	<u>46,787.15</u>	<u>31,250</u>
NET CURRENT ASSETS	2,564,398.96	2,193,704
NET ASSETS	<u>\$2,564,398.96</u>	<u>\$2,193,704</u>
EQUITY		
Accumulated Fund	1,664,398.96	1,293,704
Operation Fund	400,000.00	400,000
Research and Development Fund	500,000.00	500,000
TOTAL EQUITY	<u>\$2,564,398.96</u>	<u>\$2,193,704</u>

The financial statements on pages 5 to 9 were approved and authorised for issue by the Executive Committee on 19th October 2016 and are signed on its behalf by:

Ng Ting Shan
Chairman

Yu Shun Ngo
Treasurer

The notes on pages 8 to 9 form part of these financial statements.



CARE FOR THE ELDERLY ASSOCIATION LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST MARCH 2016

	2016 HK\$	2015 HK\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus for the Year	370,694.96	114,715
Operating Profit Before Working Capital Changes	370,694.96	114,715
(Increase)/Decrease in Prepayment	(18,920.00)	-
Increase/(Decrease) in Accrued Expenses	15,537.15	(29,317)
CASH GENERATED FROM OPERATIONS	(3,382.85)	(29,317)
NET INCREASE IN CASH AND CASH EQUIVALENTS	367,312.11	85,398
OPENING CASH AND CASH EQUIVALENTS: Cash at Bank	2,224,954.00	2,139,556
CLOSING CASH AND CASH EQUIVALENTS: Cash at Bank	<u>\$2,592,266.11</u>	<u>\$2,224,954</u>

The notes on pages 8 to 9 form part of these financial statements.



CARE FOR THE ELDERLY ASSOCIATION LIMITED
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2016

1. GENERAL INFORMATION

Care For The Elderly Association Limited is an Association incorporated and domiciled in Hong Kong. The company's registered office is located at Flat 2A Ming Tak Centre, 135-137 Tung Chau Street, Kowloon. The Association's principal activity during the year is promoting the welfare of aged persons by organizing charitable fund-raising. The Association is also registered as a charitable institution under Inland Revenue Ordinance.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the Hong Kong Financial Reporting Standard for Private Entities (HKFRS for Private Entities) issued by the Hong Kong Institute of Certified Public Accountants. They have been prepared under the historical cost convention.

a) REVENUE RECOGNITION

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

i) Donation

Revenue from the donation is recognised on cash basis; and

ii) Income from project and activities are recognised when the relevant project and activities are completed; and

iii) interest income is recognised on a time proportion basis taking into account the principal outstanding and the interest applicable.

b) Cash and Cash Equivalents

Cash comprises cash on hand and at bank and demand deposits with bank.

c) TAXATION

No provision for Hong Kong Profits Tax has been provided in the financial statement as the company is a charitable institution under section 88 of the Inland Revenue Ordinance and so exempted.



CARE FOR THE ELDERLY ASSOCIATION LIMITED
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2016

3. NET INCOME FROM RAFFLE TICKET

	<u>2016</u>	<u>2015</u>
Fund Raised	9,544,749.51	9,664,044
Less: Expenditure	998,292.40	1,185,682
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Net Income	8,546,457.11	8,478,362
Less: Distributed to Beneficiary Organisations	7,892,758.59	8,128,410
	<hr/>	<hr/>
	<u>\$653,698.52</u>	<u>\$349,952</u>

4. CHANGE IN RESERVE

	As at 1/4/2015	Surplus for the year	As at 31/3/2016
Accumulated Fund	1,293,704.00	370,694.96	1,664,398.96
Operation Fund	400,000.00	-	400,000.00
Research and Development Fund	500,000.00	-	500,000.00
	<hr/>	<hr/>	<hr/>
	<u>\$2,193,704.00</u>	<u>\$370,694.96</u>	<u>\$2,564,398.96</u>

5. KEY MANAGEMENT PERSONNELS' REMUNERATION

The company's key management personnel only include executive committee members whose remuneration disclosed pursuant to section 383(1) of the Companies Ordinance is as follows:

Fee	Nil	Nil
Other Emoluments	Nil	Nil

6. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were authorised for issue by the Executive Committee on 19th October 2016.



(FOR MANAGEMENT PURPOSE ONLY)

CARE FOR THE ELDERLY ASSOCIATION LIMITED INCOME AND EXPENDITURE ACCOUNT OF CHARITABLE FUND-RAISING ACTIVITIES HELD DURING THE PERIOD FROM 24TH OCTOBER 2015 TO 29TH NOVEMBER 2015 (PUBLIC SUBSCRIPTION PERMITS NO. 2015/250/1 TO 2)	
	HK\$
INCOME	
Sale of Vouchers by Members	9,171,927.70
Donation Received from Fund Raising Activities	111,466.51
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	9,283,394.21
OTHER INCOME	
Admission Fee	35,400.00
Direct Donation Received	217,242.30
Supply of Promotion Material	8,713.00
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	9,544,749.51
LESS: ADMINISTRATION EXPENSES	
Accounting Fee	30,000.00
Administration Fee	380,000.00
Advertising Expenses	271,980.00
Postage and Couriers	5,001.50
Printing and Stationery	637.00
Production Expenses	281,399.10
Sundry Expenses	29,274.80
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	998,292.40
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	8,546,457.11
DISTRIBUTION TO BENEFICIARY ORGANISATIONS	(8,546,457.11)
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BALANCE	<u>\$Nil</u>