

Lok Hong Social Service Association

Report and financial statements

Year ended 31 March 2015

Lok Hong Social Service Association
Reports and financial statements

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Honorary Auditors' Report to the committee members of Lok Hong Social Service Association

(A non profit making charity organisation set up under Societies Ordinance in Hong Kong)

We have audited the enclosed financial statements which have been prepared in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants.

Respective responsibilities of committee members and auditors

It is a responsibility of the committee members to prepare financial statements which give a true and fair view. In preparing financial statements which give a true and fair view it is fundamental that appropriate accounting policies are selected and applied consistently.

It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion solely to you, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Basis of opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Association's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the financial statements are free from material misstatement.

In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements. We believe that our audit provides a reasonable basis for our opinion.

2105 Wing On Ctr 111 Connaught Rd HK
+852 2246 6888 info@akamcpa.com
www.akamcpa.com

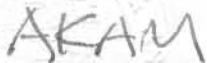
AKAM Anthony KAM
& associates ltd
certified public accountants
China Hong Kong Indonesia Malaysia Singapore
Taiwan United Kingdom United States

Honorary Auditors' Report to the committee members of Lok Hong Social Service Association (Continued)

(A non profit making charity organisation set up under Societies Ordinance in Hong Kong)

Opinion

In our opinion, the financial statements give a true and fair view of the state of the Association's affairs as at 31 March 2015 and of its surplus and cashflows for the year then ended in accordance with Hong Kong Financial Reporting Standards.



Certified Public Accountants
Hong Kong,
8 MAY 2015
Kam Hau Choi Anthony
Practising Certificate Number P02558

Lok Hong Social Service Association
Statement of comprehensive income
Year ended 31 March 2015

	2015 HK\$	2014 HK\$
Income		
Net street fund raising	96,678	63,978
Donation from Ms YUEN Kim Ping	200,000	200,000
Donation from Ms LEE Yuk Fong	80,000	20,000
Donation from Grampian Developments Limited	30,000	-
Other donation	317,201	199,772
	<u>723,879</u>	<u>483,750</u>
Expenditure		
Audit fee	-	-
Animal care product charges	68,204	75,108
Animal shelter renovation project	11,599	7,200
Depreciation	26,408	30,529
Food and travelling allowance for volunteers	39,116	26,250
Internet expense	30,671	15,383
Material for therapeutic activities	14,280	7,952
Medical care for stray animals	98,127	21,631
Messing	45,405	41,425
Postage, printing and stationery	89,082	56,635
Repair and maintenance	53,436	12,942
Sundries	50,001	30,840
Transportation and travelling	37,206	38,386
Utilities expense	28,324	24,658
Cost of digital video disc	-	24,000
	<u>591,859</u>	<u>412,939</u>
Total surplus/(deficit) for the year	<u>132,020</u>	<u>70,811</u>

All donation income and expenses of the Association have been transacted through HSBC bank account number 014-250377-001.

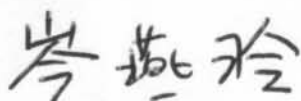
Lok Hong Social Service Association
Statement of financial position - 31 March 2015

		2015	2014
	Notes	HK\$	HK\$
Non-current assets			
Property, plant and equipment	5	63,720	90,128
Current assets			
Deposits paid		2,600	2,600
Cash and bank		4,841	3,888
		<u>7,441</u>	<u>6,488</u>
Current liabilities			
Amount due to the president	6	(1,652,457)	(1,809,932)
Net current liabilities		<u>(1,645,016)</u>	<u>(1,803,444)</u>
		<u>(1,581,296)</u>	<u>(1,713,316)</u>
Charity fund balance			
Accumulated deficit		<u>(1,581,296)</u>	<u>(1,713,316)</u>

Approved and authorised for issue by the Executive Committee on 8 MAY 2015



CHAN Sau Yiu
 President



SUM Yin Ling
 Vice-president

Lok Hong Social Service Association
Statement of changes in equity - 31 March 2015

	Accumulated deficit HK\$
At 1 April 2013	(1,784,127)
Surplus for the year	<u>70,811</u>
At 31 March 2014	(1,713,316)
Surplus for the year	<u>132,020</u>
At 31 March 2015	<u><u>(1,581,296)</u></u>

Lok Hong Social Service Association
Statement of cashflows - 31 March 2015

	2015 HK\$	2014 HK\$
Cash flows from donations		
Surplus for the year	132,020	70,811
Adjustment for:		
Depreciation	26,408	30,529
Operating profit before working capital changes	<u>158,428</u>	<u>101,340</u>
Increase/(decrease) in operating liabilities		
Amount due to the chairman	(157,475)	63,970
Other payables	-	(100,000)
Cash generated from operation	<u>953</u>	<u>65,310</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	<u>-</u>	<u>(62,197)</u>
Net increase/(decrease)		
in cash and cash equivalent	953	3,113
Cash and cash equivalent at beginning of year	3,888	775
Cash and cash equivalent at end of year	<u><u>4,841</u></u>	<u><u>3,888</u></u>
Analysis of balances of cash and cash equivalents		
Cash and cash equivalents	<u><u>4,841</u></u>	<u><u>3,888</u></u>

1 Organization status

The Association is registered under the Societies Ordinance and is a non-profit making charity organisation. The officers of the Association are jointly and severally responsible for discharging the debts and liabilities of the Association.

The address of its registered office and principal place of business is 4/F 392 Prince Edward Road, Kowloon City, Kowloon, Hong Kong.

2 Principal accounting policies

Fixed assets

Fixed assets are stated at cost less depreciation and accumulated impairment losses. Depreciation of fixed assets is calculated to write off their cost on the straight line basis over their expected useful lives to the Association. The principal annual rates used for this purpose are:

Furniture and equipment	20%
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The gain or loss on disposal of a fixed asset is the difference between the net sales proceeds and the carrying amount of the relevant asset, and is recognized in the income and expenditure account.

3 Impairment of assets

Internal and external sources of information are reviewed at each balance sheet date to identify indications that its fixed assets and investments other than investment properties may be impaired or an impairment loss previously recognised no longer exists or may have decreased. If any such indication exists, the asset's recoverable amount is estimated. The recoverable amount of an asset is the greater of its net selling price and value in use. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. A reversal of impairment losses is limited to the asset's carrying amount that would have been determined had no impairment loss been recognized in prior years. Reversals of impairment losses are credited to the income statement in the year in which the reversals are recognised.

4 Taxation

No provision for Hong Kong profits tax has been made in the financial statements as the Association is exempt under Section 88 of the Inland Revenue Ordinance.