

香港眼角膜關懷協會
HONG KONG CORNEA CONCERN ASSOCIATION

REPORT OF THE EXECUTIVE COMMITTEE

The Executive Committee have pleasure in presenting their annual report together with the audited financial statements for the year ended 30th September 2016.

PRINCIPAL ACTIVITIES

The main objectives of the Association are to promote and develop the union spirit, friendship and welfare among the cornea patients and family, to visit and care for the patients in hospitals and to organise activities for members to exchange knowledge and news in cornea.

RESULTS

The results of the Association for the year ended 30th September 2016 and the state of affairs of the Association at that date are set out in the financial statements on pages 1 to 10.

EXECUTIVE COMMITTEE

The members of the Executive Committee during the year and up to the date of this report are :-

陳麗嫦
王碧茜
賀小梅
黃旭華
郭笑英
林勤漢
陳翠蓮
馮笑嫻
羅笑芳

(appointed on 25/10/2015)

(appointed on 25/10/2015)

(resigned on 25/10/2015)

(resigned on 25/10/2015)

In accordance with Article 2(8) of Chapter 3 of the Association's Articles of Association, all existing members of the Executive Committee shall continue to remain in office.

AUDITORS

The financial statements have been audited by Messrs. W. S. Wong & Co., who retire and, being eligible, offer themselves for re-election.

On behalf of the Executive Committee



Chairman

Hong Kong, 24th March 2017

黃永善會計師行
W. S. Wong & Co.

CERTIFIED PUBLIC ACCOUNTANTS

PARTNERS

STEVEN Y. M. LEUNG (梁宇銘會計師)
B Soc Sc, M Acc, CPA(AUST), ACA, FCCA, FTIHK, FCPA(Practising)

FRANCIS S. T. LEUNG (梁紹棠會計師)
B Com, ACA, FCCA, ASA, FCPA(Practising)

ASSOCIATES

PAUL K. F. TAM (譚國祥會計師)
BBA, ACA, FCCA, FCPA(Practising)

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
HONG KONG CORNEA CONCERN ASSOCIATION 香港眼角膜關懷協會
(set-up in Hong Kong under Societies Ordinance)

We have audited the financial statements of Hong Kong Cornea Concern Association 香港眼角膜關懷協會 ("the Association") set out on pages 1 to 10, which comprise the statement of financial position as at 30th September 2016, and the statement of surplus or deficit, statement of surplus or deficit and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Executive Committee's responsibilities 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 Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants, 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.

Auditors' 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 of financial statements that give a true and fair view 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, as well as evaluating the overall presentation of the financial statements.

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 financial position of the Association as at 30th September 2016 and its financial performance and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards.


W. S. Wong & Co.
Certified Public Accountants

Hong Kong, 24th March 2017

香港眼角膜關懷協會
HONG KONG CORNEA CONCERN ASSOCIATION

STATEMENT OF SURPLUS OR DEFICIT

FOR THE YEAR ENDED 30TH SEPTEMBER 2016

(Expressed in Hong Kong Dollars)

	<u>Note</u>	<u>2016</u>	<u>2015</u>
		\$	\$
Revenue	3	3,120	2,770
Other income	4	207,971	356,467
Administrative expenses		(225,250)	(191,029)
Other operating expenses		<u>(59,815)</u>	<u>(67,900)</u>
Surplus / (deficit) before taxation	5	(73,974)	100,308
Income tax expense	6	<u>-</u>	<u>-</u>
Surplus / (deficit) for the year		<u>(73,974)</u>	<u>100,308</u>

The accompanying notes form an integral part of the financial statements.

香港眼角膜關懷協會
HONG KONG CORNEA CONCERN ASSOCIATION

STATEMENT OF SURPLUS OR DEFICIT AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30TH SEPTEMBER 2016

(Expressed in Hong Kong Dollars)

	<u>2016</u>	<u>2015</u>
	\$	\$
Surplus / (deficit) for the year	(73,974)	100,308
Other comprehensive income	<u>-</u>	<u>-</u>
Total comprehensive income for the year	(73,974) =====	100,308 =====

The accompanying notes form an integral part of the financial statements.

香港眼角膜關懷協會
HONG KONG CORNEA CONCERN ASSOCIATION

STATEMENT OF FINANCIAL POSITION

AS AT 30TH SEPTEMBER 2016

(Expressed in Hong Kong Dollars)

	<u>Note</u>	<u>2016</u>	<u>2015</u>
		\$	\$
CURRENT ASSETS			
Prepayment		3,920	2,000
Cash and bank balances	7	<u>346,830</u>	<u>424,224</u>
TOTAL CURRENT ASSETS		<u>350,750</u>	<u>426,224</u>
CURRENT LIABILITIES			
Creditors and accruals	8	<u>3,090</u>	<u>4,590</u>
TOTAL CURRENT LIABILITIES		<u>3,090</u>	<u>4,590</u>
NET CURRENT ASSETS		<u>347,660</u>	<u>421,634</u>
NET ASSETS		<u>347,660</u>	<u>421,634</u>
RESERVES			
General Fund		<u>347,660</u>	<u>421,634</u>
TOTAL EQUITY		<u>347,660</u>	<u>421,634</u>



Chairman



Hon-Treasurer

The accompanying notes form an integral part of the financial statements.

香港眼角膜關懷協會
HONG KONG CORNEA CONCERN ASSOCIATION

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30TH SEPTEMBER 2016

(Expressed in Hong Kong Dollars)

	<u>General Fund</u>
	\$
Balance at 1st October 2014	<u>321,326</u>
Surplus for the year	100,308
Other comprehensive income	<u>-</u>
Total comprehensive income for the year	<u>100,308</u>
Balance at 30th September 2015	<u>421,634</u>
Deficit for the year	(73,974)
Other comprehensive income	<u>-</u>
Total comprehensive income for the year	<u>(73,974)</u>
Balance at 30th September 2016	<u>347,660</u> =====

香港眼角膜關懷協會
HONG KONG CORNEA CONCERN ASSOCIATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30TH SEPTEMBER 2016

(Expressed in Hong Kong Dollars)

	<u>2016</u>	<u>2015</u>
	\$	\$
Cash flows from operating activities		
Surplus / (deficit) before taxation	(73,974)	100,308
Adjustment for interest income	<u>(31)</u>	<u>(37)</u>
Operating surplus / (deficit) before changes in working capital	(74,005)	100,271
Increase in prepayment	(1,920)	(2,000)
Decrease in creditors and accruals	<u>(1,500)</u>	<u>(358)</u>
Net cash generated from / (used in) operating activities	<u>(77,425)</u>	<u>97,913</u>
Cash flows from investing activities		
Interest received	<u>31</u>	<u>37</u>
Net cash generated from investing activities	<u>31</u>	<u>37</u>
Net increase / (decrease) in cash and cash equivalents	(77,394)	97,950
Cash and cash equivalents at the beginning of the year	<u>424,224</u>	<u>326,274</u>
Cash and cash equivalents at the end of the year	346,830 =====	424,224 =====
Analysis of the balances of cash and cash equivalents		
Cash and bank balances	346,830 =====	424,224 =====

香港眼角膜關懷協會
HONG KONG CORNEA CONCERN ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong Dollars)

1. General

- (a) Hong Kong Cornea Concern Association 香港眼角膜關懷協會 (“the Association”) is a charitable organisation set-up under the Hong Kong Societies Ordinance.
- (b) The registered office address as well as the principal place of business of the Association is Ground Floor, Wang Lai House, Wang Tau Hom Estate, Kowloon, Hong Kong.
- (c) The principal activities of the Association are to promote and develop the union spirit, friendship and welfare among the cornea patients and family, to visit and care for the patients in hospitals and to organise activities for members to exchange knowledge and news in cornea.

2. Principal accounting policies

The financial statements have been prepared under the historical cost convention and in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants. The principal accounting policies adopted are as follows :-

(a) Financial instruments

Financial assets and financial liabilities are recognised on the statement of financial position when the Association becomes a party to the contractual provisions of the instruments.

(i) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

(ii) Payables

Payables are initially measured at fair value and are subsequently measured at amortised costs using the effective interest rate method.

香港眼角膜關懷協會
HONG KONG CORNEA CONCERN ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong Dollars)

2. Principal accounting policies (cont'd)

(b) Foreign currencies

Items included in the financial statements are measured using the currency of the primary economic environment in which the Association operated (“the functional currency”).

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of 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 the statement of surplus or deficit.

(c) Retirement benefit costs

Payments to defined contribution retirement plan are charged as expenses when employees have rendered services entitling them to the contributions.

(d) Recognition of income

Membership fee and donation income are recognised when received, grant from Social Welfare Department and other organisations are recognised when received and receivable whereas interest income is recognised on time basis.

3. Revenue

Revenue represents the membership fee received.

4. Other income

	<u>2016</u>	<u>2015</u>
	\$	\$
Donation income	12,940	61,430
Grant from Ng Teng Fong Charitable Foundation Limited	-	100,000
Grant from Social Welfare Department	195,000	195,000
Interest income	<u>31</u>	<u>37</u>
	207,971	356,467
	=====	=====

香港眼角膜關懷協會
HONG KONG CORNEA CONCERN ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong Dollars)

5. Surplus / (deficit) before taxation

	<u>2016</u>	<u>2015</u>
	\$	\$
Surplus / (deficit) before taxation has been arrived at after charging :-		
Auditors' remuneration	1,500	1,500
Staff costs	173,880	161,784
	=====	=====

The Association operates defined contribution retirement scheme for all employees. The assets of the scheme are held separately from those of the Association under the control of trustees.

The Association's contributions to mandatory provident fund scheme (included in staff costs) amounted to \$8,280 (2015 - \$7,704).

No remuneration was paid to the members of the Executive Committee in current year and prior year.

6. Income tax expense

No provision for Hong Kong profits tax has been made as the Association is a charitable institution and is exempted from tax under section 88 of the Hong Kong Inland Revenue Ordinance.

7. Cash and bank balances

Cash and bank balances represent cash in hand and demand deposits at bank and their carrying amount approximates their fair value.

8. Creditors and accruals

Creditors and accruals principally comprise amounts outstanding for ongoing costs and their carrying amount approximates their fair value.

香港眼角膜關懷協會
HONG KONG CORNEA CONCERN ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong Dollars)

9. Capital management

The Association's objectives when managing capital are to safeguard the Association's ability to continue as a going concern and to support the Association's stability and growth.

The Association actively and regularly reviews and manages its capital structure to ensure optimal capital structure.

The Association monitors capital by reviewing the level of capital that is at the disposal of the Association ("adjusted capital"). Adjusted capital comprises all components of reserves. The adjusted capital of the Association at 30th September 2016 was \$347,660 (2015 - \$421,634). The decrease of adjusted capital was due to deficit for the year.

10. Financial risk management

Details of financial assets and financial liabilities of the Association are summarised as follows :-

	<u>2016</u>	<u>2015</u>
	\$	\$
Financial assets		
Loans and receivable		
Cash and bank balances	<u>346,830</u>	<u>424,224</u>
Financial liabilities		
Financial liabilities at amortised costs		
Creditors and accruals	<u>3,090</u>	<u>4,590</u>
	343,740	419,634
	=====	=====

The Association's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and interest rate risk), liquidity risk and credit risk. The Association's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effect on the Association's performance.

(a) Market risk

Market risk is the risk of loss arising from movements in observable market variables, such as foreign exchange rates and interest rates.

香港眼角膜關懷協會
HONG KONG CORNEA CONCERN ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong Dollars)

10. Financial risk management (cont'd)

(a) Market risk (cont'd)

(i) Foreign exchange risk

The Association has no exposure to foreign exchange risk as all the financial assets and financial liabilities of the Association are denominated in Hong Kong dollars.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value of the Association's financial instruments will fluctuate due to changes in market interest rates. The management is of the opinion that the Association's exposure to interest rate risk is insignificant as there is no expected significant change in market interest rates in the coming year.

(b) Liquidity risk

Liquidity risk is the risk that funds will not be available to meet liabilities as they fall due, and it results from amount and maturity mismatches of assets and liabilities. The Association follows a policy of prudence in managing its cash and bank balances and maintains a high level of liquidity.

All the financial liabilities of the Association are repayable on demand.

(c) Credit risk

The Association is exposed to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due.

The Association's maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

11. Hong Kong Financial Reporting Standards issued but not yet effective for the year

The management is of the opinion that all new and revised Hong Kong Financial Reporting Standards that have been issued but not yet effective for the year will not have a material impact on the financial statements.

12. Approval of financial statements

The financial statements were approved by the Executive Committee and authorised for issue on 24th March 2017.

香港眼角膜關懷協會
HONG KONG CORNEA CONCERN ASSOCIATION
DETAILED STATEMENT OF SURPLUS OR DEFICIT
FOR THE YEAR ENDED 30TH SEPTEMBER 2016

(Expressed in Hong Kong Dollars)

	\$
Income	
Membership fees	<u>3,120</u>
Other income	
Donation income	12,940
Grant for Self-help Organisations of Persons with Disabilities from Social Welfare Department (Schedule 1)	195,000
Interest income	<u>31</u>
	<u>207,971</u>
	<u>211,091</u>
Expenditure	
Auditors' remuneration	1,500
Expenditure for seminars and functions	13,080
Expenditure on Grant for Self-help Organisations of Persons with Disabilities (Schedule 1)	210,670
Expenditure on Grant from Chan Dang Social Services Foundation	17,108
Expenditure on Grant from Ng Teng Fong Charitable Foundation Limited	<u>42,707</u>
	<u>285,065</u>
Deficit for the year	(73,974)
	=====

For Management Purpose Only
(Schedule 1)

香港眼角膜關懷協會
HONG KONG CORNEA CONCERN ASSOCIATION

INCOME AND EXPENDITURE ON GRANT FOR SELF-HELP ORGANISATIONS

OF PERSONS WITH DISABILITIES

FOR THE YEAR ENDED 30TH SEPTEMBER 2016

(Expressed in Hong Kong Dollars)

	\$
Income	
Grant for Self-help Organisations of Persons with Disabilities from Social Welfare Department	<u>195,000</u>
Expenditure	
Functions and activities	20,565
Insurance	1,338
Internet charges	3,380
Mandatory provident fund contributions	8,280
Miscellaneous	2,569
Postage	1,191
Printing and stationery	5,364
Salaries and allowances	165,600
Telephone	<u>2,383</u>
	<u>210,670</u>
Deficit for the year	(15,670) =====

香港眼角膜關懷協會
HONG KONG CORNEA CONCERN ASSOCIATION

**Messrs. W. S. Wong & Co.,
Certified Public Accountants,
Hong Kong.**

Dear Sirs,

This representation letter is provided in connection with your audit of the financial statements of Hong Kong Cornea Concern Association 香港眼角膜關懷協會 for the year ended 30th September 2016 for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with Hong Kong Financial Reporting Standards.

We confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves :-

Financial Statements

- We acknowledge that we have to prepare financial statements which give a true and fair view of the financial position of the Association and of the financial performance and cash flows of the Association for the year.
- We are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Association.
- We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated 3rd January 2012, for the preparation of the financial statements in accordance with Hong Kong Financial Reporting Standards; in particular the financial statements are fairly presented in accordance therewith.
- Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable. (HKSA 540)
- Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of Hong Kong Financial Reporting Standards. (HKSA 550)
- All events subsequent to the date of the financial statements and for which Hong Kong Financial Reporting Standards require adjustment or disclosure have been adjusted or disclosed. (HKSA 560)
- There is no material uncorrected misstatement. (HKSA 450)

Information Provided

- We have provided you with :-
 - Access to all information of which we are aware that is relevant to the preparation of the financial statements, such as records, documentation and other matters;
 - Additional information that you have requested from us for the purpose of the audit; and
 - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
- All transactions have been recorded in the accounting records and are reflected in the financial statements.
- We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud. (HKSA 240)
- We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the entity and involves :-
 - Management;
 - Employees who have significant roles in internal control; or
 - Others where the fraud could have a material effect on the financial statements. (HKSA 240)
- We have disclosed to you all information in relation to the allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, analysts, regulators or others. (HKSA 240)
- We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements. (HKSA 250)
- We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware. (HKSA 550)

Yours faithfully,
For and on behalf of the
Executive Committee of
Hong Kong Cornea Concern Association
香港眼角膜關懷協會

Chairman
Dated, 24th March 2017

香港眼角膜關懷協會
HONG KONG CORNEA CONCERN ASSOCIATION
AUDIT ADJUSTMENTS FOR THE YEAR ENDED 30TH SEPTEMBER 2016

Adj. No.	A/C No.	Journal	Dr. \$	Cr. \$
1		General fund Prepayment Received in advance Accruals Being opening balance adjustment	0.25 2,000.00	1,710.00 290.25
2	12033	Prepayment Received in advance Deficit from Ng Teng Fong Charitable Foundation Being reallocation of accounts	3,920.00	1,120.00 2,800.00
3	12008 12009	Salaries and allowances Accruals Mandatory provident fund contributions Being reallocation of accounts	8,280.00 1,380.00	9,660.00
4		Auditors' remuneration Accruals Being provision of audit fee for the year	1,500.00	1,500.00
5	12024	Accruals HKCCA Function Being reallocation of accounts	1,500.00	1,500.00
6	12033	Deficit from Ng Teng Fong Charitable Foundation Received in advance Prepayment Being reallocation of accounts	290.00 1,710.00	2,000.00
7	12014 12019	Expenditure on SWD - Printing Expenditure on SWD - SWD Function Being reallocation of accounts	2,113.00	2,113.00
8		Petty cash Accruals Being reallocation of accounts	470.10	470.10