

香港展能藝術會
ARTS WITH THE DISABLED ASSOCIATION HONG KONG

EXECUTIVE COMMITTEE'S REPORT AND ACCOUNTS

FOR THE YEAR ENDED

31ST MARCH 2013

F. S. Li & Co.

李福樹會計師事務所

CERTIFIED PUBLIC ACCOUNTANTS
HONG KONG

ARTS WITH THE DISABLED ASSOCIATION HONG KONG

REPORT OF THE EXECUTIVE COMMITTEE

The Executive Committee members have pleasure in presenting their report together with audited accounts of the Association for the year ended 31st March 2013.

PRINCIPAL ACTIVITIES

The Association is engaged in the promotion and co-ordination of arts and cultural activities for people with disabilities in Hong Kong and integration of people with disabilities into the community through arts and cultural activities.

ACCOUNTS

Results of the Association for the year ended 31st March 2013 and the state of the Association's affairs at that date are set out in the accounts on pages 4 to 22.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment are shown in note 8 on the accounts.

EXECUTIVE COMMITTEE MEMBERS

The Executive Committee members during the year were:

Lam Choi Chu, Ida (Chairperson)
Lee Ying, Lena (Vice-Chairperson)
Leung Wu Kwai Man, Olivia (Vice-Chairperson)
Yeung Tak Wah, JP (Vice-Chairperson)
Wong Kam Ling, William (Hon. Treasurer)
Choi Lui Yin (Hon. Secretary)
Kwong Lan Heung (Hon. Secretary)
Chang Thomp Kwan
Chau Man Ki, Mabel
Cheng Sim Yee, Grace
Fong Cheung Fat
Lam Pui Man
Tsang Shun Yan Anita
Kuo Chun Chuen (appointed on 8th June 2013)
Chiu Ka Mei (appointed on 8th June 2013)
Ho Wai Ka, Kelly (resigned on 8th June 2013)
Suen Kwok Tung, Eddie (resigned on 8th June 2013)
Tso Amy (resigned on 1st September 2013)

According to Article 52 of the Association's Articles of Association, all Executive Committee members will retire at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

EXECUTIVE COMMITTEE MEMBERS' INTERESTS

No contracts of significance to which the Association was a party and in which an Executive Committee member of the Association 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 of the Association to acquire benefits by means of the acquisition of debentures of the Association or acquisition of shares in or debentures of any other body corporate.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the Association were entered into or existed during the year.

AUDITORS

The accounts have been audited by F.S. Li & Co., Certified Public Accountants, who retire and being eligible offer themselves for re-appointment.

On behalf of the Board



Chairman

Hong Kong, 11th November 2013.

F. S. Li & Co.

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

ARTS WITH THE DISABLED ASSOCIATION HONG KONG

(incorporated in Hong Kong with liability limited by guarantee)

We have audited the financial statements of Arts with the Disabled Association Hong Kong set out on pages 4 to 22, which comprise the balance sheet as at 31st March 2013, and the income statement, statement of comprehensive income, statement of changes in funds and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Executive Committee's responsibility 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 Standard for Private Entities ("HKFRSPE") 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 determines 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 141 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 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 Association'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 Association'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 state of the Association's affairs as at 31st March 2013 and of its surplus and cash flows for the year then ended in accordance with HKFRSPE and have been properly prepared in accordance with the Hong Kong Companies Ordinance.



F.S. Li & Co.
Certified Public Accountants

Hong Kong, 11th November 2013.

ARTS WITH THE DISABLED ASSOCIATION HONG KONG

INCOME STATEMENT

FOR THE YEAR ENDED 31ST MARCH 2013

	HK\$	<u>2013</u> HK\$	(restated) <u>2012</u> HK\$
INCOME			
Grant/Donations received (Note 3)		8,290,971	4,482,848
Workshop and other income for designated funds		905,943	510,902
Venue charges income		29,005	39,240
Dividend income - listed shares		72,430	54,286
Bank interest income		9,960	11,843
Membership subscriptions		5,300	12,300
Equipment rental income		-	800
Gain on foreign exchange		15,423	69,505
Sundry income		37,585	16,672
		<u>9,366,617</u>	<u>5,198,396</u>
NET ACTIVITIES SURPLUS/(DEFICIT)			
Net administrative fee income	27,483		35,757
Surplus from fund raising activities	1,326,696		754,818
(Deficit)/Surplus from Community Development Programmes	(2,539)		5,405
Surplus in self financing programmes	56,997		30,912
Deficit in Signature Programmes	-		(59,289)
Surplus in Business Development Programme	44,702		2,373
(Deficit)/Surplus in other program services	<u>(58,452)</u>		<u>58,452</u>
		<u>1,394,887</u>	<u>828,428</u>
		10,761,504	<u>6,026,824</u>
EXPENDITURE			
Staff costs			
Salaries and allowances	2,699,502		2,073,793
Mandatory provident fund contributions	128,247		92,304
Medical expenses	6,835		4,900
Staff training expenses	9,731		7,155
Recruitment advertisement expenses	<u>16,909</u>		<u>6,026</u>
	2,861,224		2,184,178
Auditors' remuneration	21,000		21,000
Depreciation on property, plant and equipment	62,399		58,994
Rental expenses paid under operating leases	28,705		76,650
Loss on disposal of property, plant and equipment	2,322		-
Other administrative expenses	446,761		349,155
Expenditure for designated funds	<u>5,945,090</u>		<u>5,818,099</u>
		<u>(9,367,501)</u>	<u>(8,508,076)</u>
SURPLUS/(DEFICIT) FOR THE YEAR		<u>1,394,003</u>	<u>(2,481,252)</u>

ARTS WITH THE DISABLED ASSOCIATION HONG KONG

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31ST MARCH 2013

		<u>2013</u>	(restated)
	<u>Note</u>	<u>HK\$</u>	<u>2012</u>
			<u>HK\$</u>
SURPLUS/(DEFICIT) FOR THE YEAR		1,394,003	(2,481,252)
OTHER COMPREHENSIVE INCOME/(EXPENSE)			
Item included in investment revaluation reserve:			
Increase/(Decrease) in fair value of available-for-sale			
investments during the year	11	<u>119,785</u>	<u>(8,544)</u>
TOTAL COMPREHENSIVE INCOME/(EXPENSE) FOR THE			
YEAR		<u>1,513,788</u>	<u>(2,489,796)</u>
TOTAL COMPREHENSIVE INCOME/(EXPENSE)			
ATTRIBUTABLE TO:			
Accumulated Fund		(159,043)	(232,167)
Other Funds and Reserves		<u>1,672,831</u>	<u>(2,257,629)</u>
		<u>1,513,788</u>	<u>(2,489,796)</u>

ARTS WITH THE DISABLED ASSOCIATION HONG KONG

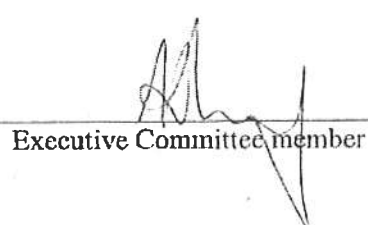
BALANCE SHEET AT 31ST MARCH 2013

	<u>Note</u>	<u>HK\$</u>	<u>2013</u> <u>HK\$</u>	<u>2012</u> <u>HK\$</u>
NON-CURRENT ASSETS				
Property, plant and equipment	8		134,471	107,122
Available-for-sale investments	9		1,989,193	1,826,899
			2,123,664	1,934,021
CURRENT ASSETS				
Accounts receivable, deposits and prepayments		638,704		430,007
Time deposits		979,658		346,492
Cash and bank balances		2,718,223		2,214,978
		4,336,585		2,991,477
Less: CURRENT LIABILITIES				
Accounts payable and accrued charges		245,413		224,450
NET CURRENT ASSETS			4,091,172	2,767,027
NET ASSETS			6,214,836	4,701,048
<i>represented by:</i>				
FUNDS AND RESERVE				
Accumulated fund	10		5,879,034	6,043,892
Investment revaluation reserve	11		196,048	76,263
Scholarship fund	12		307,562	307,562
Staff development fund	13		172,246	129,199
Dr. Marion Fang arts with the disabled memorial fund	14		289,967	335,114
Designated funds	15		(630,021)	(2,190,982)
			6,214,836	4,701,048

Approved by the Executive Committee on 11th November 2013.



Executive Committee member


Executive Committee member

ARTS WITH THE DISABLED ASSOCIATION HONG KONG

STATEMENT OF CHANGES IN FUNDS

FOR THE YEAR ENDED 31ST MARCH 2013

	Accumulated Fund HK\$	Investment Revaluation Reserve HK\$	Scholarship Fund HK\$	Staff Development Fund HK\$	Dr. Marion Fang Arts with the Disabled Memorial Fund HK\$	Designated funds HK\$	Total HK\$
Balance at 31st March 2011	6,362,612	84,807	307,562	95,165	388,158	(47,460)	7,190,844
Deficit for the year	(232,167)	-	-	-	(53,044)	(2,196,041)	(2,481,252)
Decrease in fair value of available-for-sale investments for the year	-	(8,544)	-	-	-	-	(8,544)
Total comprehensive expense for the year ended 31st March 2012	(232,167)	(8,544)	-	-	(53,044)	(2,196,041)	(2,489,796)
Fund transfer	(86,553)	-	-	34,034	-	52,519	-
Balance at 31st March 2012	6,043,892	76,263	307,562	129,199	335,114	(2,190,982)	4,701,048
Surplus/(Deficit) for the year	(159,043)	-	-	-	(45,147)	1,598,193	1,394,003
Increase in fair value of available-for-sale investments for the year	-	119,785	-	-	-	-	119,785
Total comprehensive income/(expense) for the year ended 31st March 2013	(159,043)	119,785	-	-	(45,147)	1,598,193	1,513,788
Fund transfer	(5,815)	-	-	43,047	-	(37,232)	-
Balance at 31st March 2013	5,879,034	196,048	307,562	172,246	289,967	(630,021)	6,214,836

ARTS WITH THE DISABLED ASSOCIATION HONG KONG

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH 2013

	HK\$	<u>2013</u> HK\$	HK\$	<u>2012</u> HK\$
CASH FLOWS FROM OPERATING ACTIVITIES				
Surplus/(Deficit) for the year				
- Association's operations		(159,043)		(232,167)
- Other funds		<u>1,553,046</u>		<u>(2,249,085)</u>
		1,394,003		(2,481,252)
Adjustments for:				
Interest income		(9,960)		(11,843)
Dividend income		(72,430)		(54,286)
Loss on disposal of property, plant and equipment		2,322		-
Depreciation on property, plant and equipment		<u>62,399</u>		<u>58,994</u>
Operating surplus/(deficit) before working capital changes		1,376,334		(2,488,387)
(Increase)/Decrease in accounts receivable, deposits and prepayments		(200,932)		846,492
Increase/(Decrease) in accounts payable and accruals		<u>20,963</u>		<u>(222,853)</u>
NET CASH FROM/(USED IN) OPERATING ACTIVITIES		1,196,365		(1,864,748)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	2,898		11,480	
Dividend received	71,727		53,926	
Purchase of available-for-sale investments	(42,509)		(536,358)	
Purchase of property, plant and equipment	<u>(92,070)</u>		<u>(32,878)</u>	
NET CASH USED IN INVESTING ACTIVITIES		<u>(59,954)</u>		<u>(503,830)</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		1,136,411		(2,368,578)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		<u>2,561,470</u>		<u>4,930,048</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR		<u><u>3,697,881</u></u>		<u><u>2,561,470</u></u>
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS				
Time deposits		979,658		346,492
Cash and bank balances		<u>2,718,223</u>		<u>2,214,978</u>
		<u><u>3,697,881</u></u>		<u><u>2,561,470</u></u>

ARTS WITH THE DISABLED ASSOCIATION HONG KONG

NOTES ON THE ACCOUNTS

1. General

The Association is a company incorporated in Hong Kong under the Companies Ordinance and is limited by guarantee. The liability of each member is limited to the extent of an amount not exceeding the sum of HK\$10. The Association's registered office is at 4/F., Causeway Bay Community Centre, 7 Fook Yum Road, Causeway Bay, Hong Kong. The Association is engaged in the promotion and co-ordination of arts and cultural activities for people with disabilities in Hong Kong and integration of people with disabilities into the community through arts and cultural activities.

2. Principal accounting policies

(a) Basis of preparation

These financial statements have been prepared in accordance with the Hong Kong Financial Reporting Standard for Private Entities ("HKFRSPE") issued by the Hong Kong Institute of Certified Public Accountants and the requirements of the Hong Kong Companies Ordinance. The financial statements have been prepared under the historical cost convention except that listed available-for-sale investments are stated at fair value.

(b) Revenue recognition

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

- (i) Membership subscriptions, donations, venue charges income, administrative fee income, equipment rental income, dividend income, receipts from programmes and grants are recognised when the right to receive the income is established. Grants or donations relating to purchase of property, plant and equipment are set off against the acquisition cost of the assets.
- (ii) Interest income is recognised as it accrues using the effective interest method.

(c) Property, plant and equipment

Property, plant and equipment are stated at cost less any government grant or private donation related to assets, less any accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated to write off the cost of property, plant and equipment over their estimated useful lives using a straight line basis at 20 per cent per annum.

(d) Provisions

Provisions are recognised for liabilities of uncertain timing or amount when the Association has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

2. Principal accounting policies (continued)

(e) Available-for-sale investments

Available-for-sale investments are non-derivatives that are either designated to this category or not classified in any of the other categories. They are intended to be held for long term purpose and are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date. Available-for-sale investments are initially recognized at fair value plus transaction costs. Gains and losses arise from changes in fair value are recognised directly in investment revaluation reserve, until the investment is derecognised or impaired at which time the cumulative gain or loss previously recognised in investment revaluation reserve is recognised in surplus or deficit. Available-for-sale investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are recognised in the balance sheet at cost less any impairment losses. Any impairment losses on available-for-sale investments are recognised in surplus or deficit. Impairment losses on available-for-sale investments will not be reversed in subsequent periods.

(f) Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits with banks within 3 months to maturity from date of deposit, less bank overdrafts.

(g) Disposal of property, plant and equipment

The gain or loss arising from disposal of property, plant and equipment is the difference between the net sales proceeds and the carrying amount of the relevant assets, and is recognised in surplus or deficit.

(h) Accounts receivable and deposits

Accounts receivable and deposits are initially recognised at transaction price and at each balance sheet date are stated at amortised cost less impairment losses for bad and doubtful debts unless the effect of discounting would be immaterial, in which case the receivables are stated at cost less impairment losses for bad and doubtful debts. A provision for impairment of receivables is made when there is objective evidence that the Association will not be able to collect all amounts due according to the original terms of receivables. The impairment loss is measured as the difference between the assets' carrying amount and the present value of estimated future cash flows, discounted at the assets' original effective interest rate where the effect of discounting is material.

(i) Accounts payable and accruals

Accounts payable and accruals are initially recognised at transaction price and at each balance sheet date are stated at amortized cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

(j) Functional and presentation currency

The Association's functional and presentation currency is Hong Kong dollars.

2. Principal accounting policies (continued)

(k) Impairment losses

At each balance sheet 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 surplus or deficit.

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 (selling price less costs to complete and sell, in the case of inventories), 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 surplus or deficit.

(l) Retirement benefits schemes

The Association joins a defined contribution Mandatory Provident Fund retirement benefits scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance, for those employees who are eligible to participate in the scheme. Contributions are made based on percentage of the employees' basic salaries and are charged to surplus or deficit as they 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 administered fund. The employer's contributions vest fully with the employees when contributed into the MPF Scheme.

(m) Assets held under operating leases

Leases where substantially all the risks and rewards of ownership of assets remain with the lessor are accounted for as operating leases. Payments made under operating leases are charged to surplus or deficit on a straight line basis over the lease periods.

3. Grant/Donations received

	<u>2013</u> HK\$	(restated) <u>2012</u> HK\$
For the Association		
The Swire Group Charitable Trust	1,500,000	1,200,000
Others	<u>198,778</u>	<u>224,736</u>
	1,698,778	1,424,736
For designated funds	<u>6,592,193</u>	<u>3,058,112</u>
	<u><u>8,290,971</u></u>	<u><u>4,482,848</u></u>

**ARTS WITH THE DISABLED
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Notes on the accounts

4. Auditors' remuneration

	<u>2013</u> HK\$	<u>2012</u> HK\$
Audit fee charged to		
- Accumulated fund	21,000	21,000
- Other funds	10,000	16,000
	<u>31,000</u>	<u>37,000</u>

5. Total revenues

	<u>2013</u> HK\$	(restated) <u>2012</u> HK\$
Grant/Donations received	8,290,971	4,482,848
Workshop and other income for designated fund	905,943	510,902
Venue charges income	29,005	39,240
Dividend income	72,430	54,286
Bank interest income	9,960	11,843
Membership subscriptions	5,300	12,300
Equipment rental income	-	800
Sundry income	37,585	16,672
Gross receipts from the following:		
Administrative fee income	132,040	154,536
Fund raising activities	1,772,585	860,038
Community development programmes	2,465	55,445
Self financed programmes	285,857	188,748
Signature programmes	-	98,598
Other program services	-	130,323
Business development programme	130,938	13,820
	<u>11,675,079</u>	<u>6,630,399</u>

6. Executive Committee members' remuneration

None of the Executive Committee members received any remuneration in respect of their services to the Association during the year (2012 : Nil).

7. Taxation

The Association is a charitable institution and is exempt from Hong Kong profits tax under Section 88 of the Inland Revenue Ordinance.

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Notes on the accounts

8. Property, plant and equipment

	<u>Furniture and fixtures</u> HK\$	<u>Office equipment</u> HK\$	<u>Total</u> HK\$
Cost			
At 31st March 2012	674,993	264,869	939,862
Additions	11,905	80,165	92,070
Disposals	(1,147)	(8,060)	(9,207)
	<u>685,751</u>	<u>336,974</u>	<u>1,022,725</u>
At 31st March 2013	685,751	336,974	1,022,725
<u>Less:</u> Amount financed by The Hong Kong Jockey Club Charities Trust			
At 31st March 2012 and 31st March 2013	(472,377)	-	(472,377)
	<u>213,374</u>	<u>336,974</u>	<u>550,348</u>
Carrying value at 31st March 2013	<u>213,374</u>	<u>336,974</u>	<u>550,348</u>
Accumulated depreciation			
At 31st March 2012	142,935	217,428	360,363
Charge for the year	25,770	36,629	62,399
Written back on disposals	(437)	(6,448)	(6,885)
	<u>168,268</u>	<u>247,609</u>	<u>415,877</u>
At 31st March 2013	<u>168,268</u>	<u>247,609</u>	<u>415,877</u>
Net book value			
At 31st March 2013	<u>45,106</u>	<u>89,365</u>	<u>134,471</u>
At 31st March 2012	<u>59,681</u>	<u>47,441</u>	<u>107,122</u>

9. Available-for-sale investments

	<u>2013</u> HK\$	<u>2012</u> HK\$
Unit trust fund, at fair value	1,819,893	1,691,260
Hong Kong listed shares, at fair value	169,300	135,639
	<u>1,989,193</u>	<u>1,826,899</u>

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Notes on the accounts

10. Accumulated fund

	<u>2013</u> HK\$	<u>2012</u> HK\$
Balance at beginning of year	6,043,892	6,362,612
Deficit for the year	(159,043)	(232,167)
<u>Less:</u> Amount transferred from/(to):		
Staff Development Fund (Note 13)	(43,047)	(34,034)
Designated Funds (Note 15)	<u>37,232</u>	<u>(52,519)</u>
Balance at end of year	<u><u>5,879,034</u></u>	<u><u>6,043,892</u></u>

11. Investment revaluation reserve

	<u>2013</u> HK\$	<u>2012</u> HK\$
Balance at beginning of year	76,263	84,807
Increase/(Decrease) in fair value of available-for-sale investments for the year	<u>119,785</u>	<u>(8,544)</u>
Balance at end of year	<u><u>196,048</u></u>	<u><u>76,263</u></u>

Investment revaluation reserve represents the cumulative net change in the fair value of available-for-sale investments until the investments are derecognised or impaired.

12. Scholarship fund

	<u>2013</u> HK\$	<u>2012</u> HK\$
Balance at beginning and end of year	<u><u>307,562</u></u>	<u><u>307,562</u></u>

The fund was established to account for an one-off donation from Ms. Ho Suet-mui and other income earned for distribution of scholarship to disabled artists/trainers of the Association.

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Notes on the accounts

13. Staff development fund

	<u>2013</u> HK\$	<u>2012</u> HK\$
Balance at beginning of year	129,199	95,165
Amount transferred from accumulated fund	<u>43,047</u>	<u>34,034</u>
Balance at end of year	<u><u>172,246</u></u>	<u><u>129,199</u></u>

The fund was established to account for donations received and other income earned for payment of staff training development expenses incurred by the Association.

14. Dr. Marion Fang Arts With The Disabled Memorial Fund

	<u>2013</u> HK\$	<u>2012</u> HK\$
Balance at beginning of year	335,114	388,158
Donations received	6,000	6,000
<u>Less: Expenditures incurred</u>	<u>(51,147)</u>	<u>(59,044)</u>
Balance at end of year	<u><u>289,967</u></u>	<u><u>335,114</u></u>

The objectives of the fund are:

- to promote the power of creativity and access to arts opportunities for people with disabilities;
- to develop potentials of people with disabilities and provide training and assistance as appropriate and desired by artists with disabilities in their endeavour to grow artistically; and
- to promote the creative power of people with disabilities through a vision of an inclusive community.

**ARTS WITH THE DISABLED
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Notes on the accounts

15. (a) Designated funds

Reference	2012 HK\$	Grant/ Donation received HK\$	Grant refunded HK\$	Workshop and other income HK\$	Expenditure HK\$	Net surplus/ (deficit) HK\$	Transfer to income and expenditure account HK\$	2013 HK\$
Social Welfare Department - Community Based Support Project for People with Disabilities (Creativity to Independence) SCMP Charities Limited and Radio Television Hong Kong - Operation Santa Claus (ADA Angels Education Project) Hong Kong Arts Development Council Multi Project Grant 2011-2013 Cross All Borders 2012 Cross All Borders 2013 Project - The Forgotten City Dance Path Join Exhibition	(i)	82,201	874,830	-	(986,777)	4,148	-	86,349
	(ii)	3,505	-	-	(16,231)	(4,771)	1,266	-
	(iii)	102,500	-	(102,500)	-	(102,500)	-	-
	(v)	(8,514)	191,197	-	(182,683)	8,514	-	-
	(v)	-	-	-	(23,743)	(23,743)	-	(23,743)
	(vi)	-	44,560	-	(10,023)	34,537	-	34,537
	(vii)	-	65,000	-	(205,602)	(124,297)	-	(124,297)
The HK Jockey Club Charities Trust - Fitting out works of the Art Accessibility Service Centre Leisure and Cultural Services Department - Artist in Neighbourhood Scheme V - ArtAlive@park2012 Education Bureau	(ix)	(517,852)	517,851	-	(209,172)	308,679	-	(209,173)
	(x)	10,949	41,416	-	(52,365)	(10,949)	-	-
	(x)	69,936	60,000	-	(129,936)	(69,936)	-	-
Adapted Applied Learning (ApL) Courses for Students with Intellectual Disabilities The Hong Kong Jockey Club Charities Trust - Operating Costs of Inclusive Arts Studio Art Accessibility Service Centre The Hong Kong Jockey Club Charities Trust Art Accessibility Service Centre Dance Path Join Exhibition	(xi)	24,040	-	-	(28,462)	(28,462)	4,422	-
	(xii)	(1,409,687)	1,549,824	-	(2,042,508)	(340,842)	-	(1,750,529)
	(xii)	(890,805)	1,176,359	-	(1,095,037)	648,584	-	(242,221)
	(xii)	-	-	-	(14,000)	-	-	-
	(xii)	-	94,297	-	-	94,297	-	94,297
<hr/>								
Balance carried forward	(2,533,727)	4,615,334	(102,500)	876,964	(4,996,539)	393,259	5,688	(2,134,780)

**ARTS WITH THE DISABLED
ASSOCIATION HONG KONG**

Notes on the accounts

15. (a) Designated funds (continued)

Reference	2012 HK\$	Grant/ Donation received HK\$	Grant refunded HK\$	Workshop and other income HK\$	Expenditure HK\$	Net surplus/ (deficit) HK\$	Transfer to income and expenditure account HK\$	2013 HK\$
	(2,533,727)	4,615,334	(102,500)	876,964	(4,996,539)	393,259	5,688	(2,134,780)
Balance brought forward								
Social Welfare Department and The Swire Group Charitable Trust - Partnership Fund for the Disadvantaged (PFD) - Arts and Communities - An Inclusion Project								
2010 - 2012	(xiv)	79,556	-	-	(79,556)	(79,556)	-	-
2012 - 2014	(xiv)	-	300,000	28,979	(129,506)	199,473	-	199,473
John Fung Music Fund of the Asian Cultural Council - for visually-impaired rap musicians	(xv)	83,189	-	-	(11,688)	(11,688)	-	71,501
Providence Foundation Limited	(xvi)	180,000	-	-	(137,080)	(137,080)	(42,920)	-
Cross All Borders 2012	(xvi)	-	300,000	-	-	300,000	-	300,000
Cross All Borders 2013	(xvii)	-	55,000	(10,908)	(44,092)	-	-	-
Jean CK Ho Family Charitable Foundation	(xviii)	-	540,000	-	(477,882)	62,118	-	62,118
Home Affairs Bureau	(xix)	-	30,000	-	-	30,000	-	30,000
2nd Festival of Inclusive Arts	(xx)	-	659,267	-	(17,600)	641,667	-	641,667
Hong Kong Culture and Art foundation Dance Path Join Exhibition	(xxi)	-	200,000	-	-	200,000	-	200,000
Lee Hysan Foundation								
Artist with Disability Development Scheme								
Swire Properties Ltd								
2nd Festival of Inclusive Arts								
	(2,190,982)	6,699,601	(113,408)	905,943	(5,893,943)	1,598,193	(37,232)	(630,021)

**ARTS WITH THE DISABLED
ASSOCIATION HONG KONG**
Notes on the accounts

15. (b) Designated funds (continued)

Reference	2011 HK\$	Grant/Donation received HK\$	Grant refunded HK\$	Workshop and other income HK\$	Expenditure HK\$	Net surplus/ (deficit) HK\$	Transfer from income and expenditure account HK\$	2012 HK\$
(i) Social Welfare Department - Community Based Support Project for People with Disabilities (Creativity to Independence and Strengthening Cleaning Service)	189,654	815,182	(160)	172,220	(1,094,695)	(107,453)	-	82,201
(ii) SCMP Charities Limited and Radio Television Hong Kong - Operation Santa Claus (ADA Angels Education Project)	22,703	-	-	23,112	(42,310)	(19,198)	-	3,505
(iii) Hong Kong Arts Development Council	(106,990)	127,415	-	-	(20,425)	106,990	-	-
(iii) Multi Project Grant 2009-2011	-	102,500	-	-	-	102,500	-	102,500
(iv) Multi Project Grant 2011-2013	-	152,700	-	48,638	(231,835)	(30,497)	30,497	-
(v) Journey to the West	-	85,000	-	30,953	(216,730)	(100,777)	22,022	(78,755)
(v) Cross All Borders 2011	-	-	-	-	(8,514)	(8,514)	-	(8,514)
(v) Cross All Borders 2012	-	-	-	-	-	-	-	-
(viii) Credit Suisse	37,103	-	-	-	(37,103)	(37,103)	-	-
(ix) Setup Mobile Digital Lab	-	-	-	-	-	-	-	-
(ix) The HK Jockey Club Charities Trust - Fitting out works of the Art Accessibility Service Centre	-	-	-	-	(517,852)	(517,852)	-	(517,852)
(x) Leisure and Cultural Services Department	14,062	30,000	-	-	(33,113)	(3,113)	-	10,949
(x) - Artist in Neighbourhood Scheme V	-	70,000	-	-	(64)	69,936	-	69,936
(x) - ArtAlive@park2012	-	-	-	-	-	-	-	-
(xi) Education Bureau	83,153	(6,100)	-	-	(53,013)	(59,113)	-	24,040
(xi) Adapted Applied Learning (ApL) Courses for Students with Intellectual Disabilities	-	-	-	-	-	-	-	-
(xii) The Hong Kong Jockey Club Charities Trust - Operating Costs of Inclusive Arts Studio	(717,112)	818,087	-	202,270	(1,712,932)	(692,575)	-	(1,409,687)
(xii) Art Accessibility Service Centre	-	-	-	19,140	(909,945)	(890,805)	-	(890,805)
(xiii) Radio Television Hong Kong - Rehabilitation Special 2011	-	477,488	-	-	(477,488)	-	-	-
(xiv) Social Welfare Department and The Swire Group Charitable Trust - Partnership Fund for the Disadvantaged (PFD) - Arts and Communities - An Inclusion Project	429,967	-	-	14,569	(364,980)	(350,411)	-	79,556
(xv) John Fung Music Fund of the Asian Cultural Council - for visually-impaired rap musicians	-	100,000	-	-	(16,811)	83,189	-	83,189
(v) Providence Foundation Limited	-	100,000	-	-	(21,245)	78,755	-	78,755
(v) Cross All Borders 2011	-	180,000	-	-	-	180,000	-	180,000
(v) Cross All Borders 2012	-	-	-	-	-	-	-	-
	(47,460)	3,052,272	(160)	510,902	(5,759,055)	(2,196,041)	52,519	(2,190,982)

15. (c) Designated funds

<u>Name of Designated funds</u>	<u>Purposes</u>
(i) Social Welfare Department - Community Based Support Project for People with Disabilities (Creativity to Independence)	The fund was established to account for grant received from Social Welfare Department and other income earned for payment of expenses incurred for running the project "Creativity to Independence".
(ii) SCMP Charities Limited and Radio Television Hong Kong - Operation Santa Claus (ADA Angels Education Project)	<p>The fund was established to account for donations received from SCMP Charities Limited and Radio Television Hong Kong and other income earned for payment of expenses incurred for running the four major components in the ADA Angles Education Projects which are listed out below:</p> <ul style="list-style-type: none"> - ADA Angles Scheme - ADA Angles Seed Project - ADA Angles Choir - The Making and Distribution of VCD "The Ten Commandments of Communicating with People with Disabilities" cum ADA Angles Public Education Programme
(iii) Hong Kong Arts Development Council - Multi Project Grant 2009-2011 2011-2013	The fund was established to account for grants received from Hong Kong Arts Development Council for payment of expenses for Multi Project Grant - 2009-2011 and 2011-2013.
(iv) Hong Kong Arts Development Council - Journey to the West	The fund was established to account for grants received from Hong Kong Arts Development Council for payment of expenses for the project "Journey to the West".
(v) Hong Kong Arts Development Council - Cross All Borders 2011, 2012 and 2013	The fund was established to account for grants received from Hong Kong Arts Development Council for payment of expenses incurred for the Project Cross All Borders 2011, 2012 and 2013.
(vi) Hong Kong Arts Development Council - Project - The Forgotten City	The fund was established to account for grants received from Hong Kong Arts Development Council for payment of expenses incurred for the Project The Forgotten City.
(vii) Hong Kong Arts Development Council - Dance Path Joint Exhibition	The fund was established to account for grants received from Hong Kong Arts Development Council for payment of expenses for the project Dance Path Joint Exhibition.

15. (c) Designated funds (continued)

<u>Name of Designated funds</u>	<u>Purposes</u>
(viii) Credit Sussie - Setup Mobile Digital Lab	The fund was established to account for donations received from Credit Sussie for payment of expenses for the project " Mobile Digital Lab".
(ix) The Hong Kong Jockey Club Charities Trust - - Fitting out works of Art Accessibility Service Centre	The fund was established to account for donations received from the Hong Kong Jockey Club Charities Trust for payment of expenses incurred for Fitting-out work of Art Accessibility Service Centre.
(x) Leisure and Cultural Services Department - Artist in Neighbourhood Scheme V and - ArtAlive@park2012	The fund was established to account for grants received from the Leisure and Cultural Services Department for payment of expenses incurred for the Artist in Neighbourhood Scheme V and ArtAlive@park2012.
(xi) Education Bureau - Adapted Applied Learning (ApL) Courses for Students with Intellectual Disabilities	The fund was established to account for grants received from the Education Bureau for payment of expenses incurred for Adapted Applied Learning (ApL) Courses for Students with Intellectual Disabilities (ID) (2010-12 Cohort).
(xii) The Hong Kong Jockey Club Charities Trust - Operating Costs of Inclusive Arts Studio - Operating Costs of Art Accessibility Service Centre - Cross All Borders (2012) Art Accessibility Service Centre - Dance Path Joint Exhibition	The fund was established to account for donations received from the Hong Kong Jockey Club Charities Trust for payment of expenses incurred for Operating Costs of the Inclusive Arts Studio, Art Accessibility Service Centre, Cross All Borders - Art Accessibility Service Centre and Dance Path Joint Exhibition.
(xiii) Radio Television Hong Kong - Rehabilitation Special 2011	The fund was established to account for grants received from the Radio Television Hong Kong for payment of expenses incurred for the Rehabilitation Special 2011.
(xiv) Social Welfare Department and The Swire Group Charitable Trust - Partnership Fund for the Disadvantaged (PFD) - Arts and Communities - An Inclusion Project 2010 - 2012 and 2012 - 2014	The fund was established to account for grants and donations received from Social Welfare Department and The Swire Group Charitable Trust for payment of expenses incurred for Arts and Communities - An Inclusion Project 2010 - 2012 and 2012 - 2014.
(xv) John Fung Music Fund of the Asian Cultural Council - for visually-impaired rap musicians	The fund was established to account for donations received from John Fung Music Fund of the Asian Cultural Council for payment of expenses incurred for visually impaired rap musicians.

15. (c) Designated funds (continued)

<u>Name of Designated funds</u>	<u>Purposes</u>
(xvi) Providence Foundation Ltd. - Cross All Borders 2011, 2012 and 2013	The fund was established to account for donations received from Providence Foundation Ltd. for payment of expenses incurred for Cross All Borders 2011, 2012 and 2013.
(xvii) Jean CK Ho Family Charitable Foundation - Cross all Borders 2012	The fund was established to account for donations received from Jean CK Ho Family Charitable Foundation for payment of expenses incurred for Cross All Borders 2012.
(xviii) Home Affairs Bureau - 2nd Festival of Inclusive Arts	The fund was established to account for grants received from Home Affairs Bureau for payment of expenses incurred for 2nd Festival of Inclusive Arts.
(xix) Hong Kong Culture and Art Foundation - Dance Path Joint Exhibition	The fund was established to account for donation received from Hong Kong Culture and Art Foundation for payment of expenses incurred for Dance Path Joint Exhibition.
(xx) Lee Hysan Foundation - Artist with Disability Development Scheme	The fund was established to account for donation received from Lee Hysan Foundation for payment of expenses incurred for Artist with Disability Development Scheme.
(xxi) Swire Properties Ltd. - Starstreet Precinct	The fund was established to account for donation received from Swire Properties Ltd. - Starstreet Precinct for payment of expenses incurred for 2nd Festival of Inclusive Arts.

16. Commitments under operating leases

At the balance sheet date, the Association had the following future aggregate minimum lease payments under non-cancellable operating leases in respect of land and buildings:

	<u>2013</u> HK\$	<u>2012</u> HK\$
Not later than one year	<u>275,970</u>	<u>183,947</u>

17. Categories of financial assets and liabilities

	<u>2013</u> HK\$	<u>2012</u> HK\$
<u>Financial assets:</u>		
Non-current assets		
Available-for-sale investments, at fair value	1,989,193	1,826,899
Current assets, at amortised cost		
Accounts receivable and deposits	617,812	370,598
Time deposits	979,658	346,492
Cash and bank balances	<u>2,718,223</u>	<u>2,214,978</u>
	<u>6,304,886</u>	<u>4,758,967</u>
 <u>Financial liabilities - at amortised cost:</u>		
Current liabilities		
Accounts payable and accrued charges	<u>245,413</u>	<u>224,450</u>

18. Comparative figures

Certain comparative figures in the income and expenditure account have been reclassified so as to conform with current year's presentation in providing a better presentation of the Association's operating results. In particulars, income and expenditure of Dr. Marion Fang Arts with the Disabled Memorial Fund and Designated Funds have been reflected in the Association's income and expenditure accounts.

FOR MANAGEMENT INFORMATION PURPOSES ONLY

ARTS WITH THE DISABLED ASSOCIATION HONG KONG

Appendix 1

OTHER ADMINISTRATIVE EXPENSES

FOR THE YEAR ENDED 31ST MARCH 2013

	<u>2013</u>	<u>2012</u>
	<u>HK\$</u>	<u>HK\$</u>
Postages, telephone and cables	53,236	39,128
Repairs and maintenance	32,570	42,223
Advertisement and public relations	16,465	71,769
Cleaning	7,165	9,890
Meeting expenses	15,311	18,277
Membership fee	3,212	3,744
Insurance	16,762	14,864
Travelling expenses	7,564	13,542
Printing and stationery	54,151	48,320
Electricity and water	27,404	32,492
Building management fees	11,088	11,106
Rates	3,800	6,482
Retainer fees	150,637	-
Bank charges	6,192	5,207
Sundry expenses	41,204	32,111
	<u>446,761</u>	<u>349,155</u>

FOR MANAGEMENT INFORMATION PURPOSES ONLY

Appendix 2

ARTS WITH THE DISABLED ASSOCIATION HONG KONG

SURPLUS FROM FUND RAISING ACTIVITIES

FOR THE YEAR ENDED 31ST MARCH 2013

	<u>Grants and other receipts</u>	<u>Program expenditure</u>
	HK\$	HK\$
SAR Phil 2012	1,118,322	100,152
HKJC Club House	206,000	2,000
Wine Dinner organized by Hong Kong Jockey Club	200,000	-
Star Street	200,000	2,668
Student Charity Recital	24,182	2,372
Rainbow Grassroots - 慈善晚宴	21,122	3,517
HK Commercial Broadcasting Company Limited - 有誰共鳴	1,179	-
Renaissance College	1,000	-
JEMS Education (HK) Ltd	780	-
South Island School - 慈善音樂會		3,554
Miscellaneous	-	19,724
	<u>1,772,585</u>	<u>133,987</u>
Net surplus for the year		1,638,598
Less : Funding reallocated to Designated Funds and Business Development programme :		
- 2nd Festival of Inclusive Arts		(200,000)
- Dance Path Join Exhibition		(94,297)
- Business Development Programme		<u>(17,605)</u>
Net surplus after allocation of Funding to Projects		<u>1,326,696</u>

FOR MANAGEMENT INFORMATION PURPOSES ONLY

Appendix 3

ARTS WITH THE DISABLED ASSOCIATION HONG KONG

DEFICIT FROM COMMUNITY DEVELOPMENT PROGRAMMES

FOR THE YEAR ENDED 31ST MARCH 2013

	<u>Grants and other receipts</u> HK\$	<u>Program expenditure</u> HK\$
Xian Trip expenses	2,465	2,000
Playback Tuesday	-	985
DC Trip expenses	-	2,019
	<u>2,465</u>	<u>5,004</u>
Net deficit for the year		<u>(2,539)</u>

FOR MANAGEMENT INFORMATION PURPOSES ONLY

Appendix 4

ARTS WITH THE DISABLED ASSOCIATION HONG KONG

SURPLUS IN SELF FINANCING PROGRAMMES

FOR THE YEAR ENDED 31ST MARCH 2013

	<u>Grants and other receipts</u> HK\$	<u>Program expenditure</u> HK\$
<u>Playback Workshops</u>		
一人一故事劇場學院 (香港)		
- 基礎訓練	51,900	20,074
- 深造及實踐課程	104,586	111,623
- 鮑思高青年服務網絡—司打口家庭服務中心	33,511	25,017
香港路德會社會服務處路德會青彩中心	13,000	9,720
香港心理衛生會社區教育部	16,000	14,150
香港傷健協會 - 野甘菊計劃	7,800	6,050
Book Sales	720	-
<u>Train-the-Trainer Programmes</u>		
香港基督教服務處兒童發展及教育核心業務	7,200	5,735
香港專業教育學院 (沙田)	9,960	5,657
<u>Public Education</u>		
鳳溪廖萬石堂中學	2,000	1,048
瑪利曼中學	1,500	1,000
嶺南大學香港同學會小學	1,000	500
香港三育書院	1,000	541
伊利沙伯中學舊生會小學分校	1,000	535
九龍塘學校	1,000	539
樂善堂顧超文中學	1,000	600
陳朱素華紀念中學	1,000	584
明愛專上學院	750	563
Sundries / Miscellaneous / Travel expenses	-	852
《石硤尾藝術村四年來回展》	-	1,664
<u>Other Programmes</u>		
教育局 - 葵青區特殊學校聯校教職員專業發展日(2012/13)	18,680	13,512
《演藝馬拉松·遊樂深水埗》	2,800	2,022
Allard Partners - Purchase a painting	1,500	1,200
香港中文大學 - 講座及工作坊	6,750	4,650
社會福利署中西南及離島區福利辦事處中西南及 離島區策劃及統籌小組	1,200	1,024
	<u>285,857</u>	<u>228,860</u>
Net surplus for the year		<u>56,997</u>