

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 2014

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 2014.

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 2014 and the state of the Association's affairs at that date are set out in the accounts on pages 4 to 20.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment are shown in note 9 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)
Lam Wai Pong (appointed on 7th December 2013)
Wong Yuen Ping, Estella (appointed on 7th December 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 annual general meeting to be held in 2015 and, being eligible, offer themselves 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, 31st October 2014.

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 20, which comprise the balance sheet as at 31st March 2014, 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 80 of Schedule 11 to the new 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 Standard 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 2014 and of its deficit 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, 31st October 2014.

ARTS WITH THE DISABLED ASSOCIATION HONG KONG

INCOME STATEMENT

FOR THE YEAR ENDED 31ST MARCH 2014

	HK\$	<u>2014</u> HK\$	<u>2013</u> HK\$
INCOME			
Grant/Donations received (Note 3)		8,138,323	8,290,971
Workshop and other income for designated funds		874,567	905,943
Venue charges income		58,090	29,005
Dividend income - listed shares		70,526	72,430
Bank interest income		5,059	9,960
Membership subscriptions		13,500	5,300
Gain on foreign exchange		-	15,423
Sundry income		<u>35,024</u>	<u>37,585</u>
		9,195,089	<u>9,366,617</u>
NET ACTIVITIES SURPLUS/(DEFICIT)			
Net administrative fee income	78,435		27,483
Surplus from fund raising activities	1,697,977		1,326,696
Deficit from Community Development Programmes	(11,197)		(2,539)
Surplus in self financing programmes	282,311		56,997
Deficit in Signature Programmes	(69,134)		-
Surplus in Business Development Programmes	74,467		44,702
Deficit in other program services	<u>-</u>		<u>(58,452)</u>
		2,052,859	<u>1,394,887</u>
		11,247,948	<u>10,761,504</u>
EXPENDITURE			
Staff costs			
Salaries and allowances	3,264,778		2,699,502
Mandatory provident fund contributions	153,457		128,247
Medical expenses	7,745		6,835
Staff training expenses	16,370		9,731
Recruitment advertisement expenses	<u>9,810</u>		<u>16,909</u>
	3,452,160		2,861,224
Auditors' remuneration	22,000		21,000
Depreciation on property, plant and equipment	53,278		62,399
Lab rental expenses	50,865		28,705
Loss on disposal of property, plant and equipment	-		2,322
Loss on foreign exchange	2,047		-
Other administrative expenses	494,834		446,761
Expenditure for designated funds	<u>7,869,408</u>		<u>5,945,090</u>
		(11,944,592)	<u>(9,367,501)</u>
(DEFICIT)/SURPLUS FOR THE YEAR		<u>(696,644)</u>	<u>1,394,003</u>

ARTS WITH THE DISABLED ASSOCIATION HONG KONG

BALANCE SHEET AT 31ST MARCH 2014

	<u>Note</u>	HK\$	<u>2014</u> HK\$	<u>2013</u> HK\$
NON-CURRENT ASSETS				
Property, plant and equipment	9		110,274	134,471
Available-for-sale investments	10		<u>1,970,629</u>	<u>1,989,193</u>
			2,080,903	<u>2,123,664</u>
CURRENT ASSETS				
Accounts receivable, deposits and prepayments		1,186,781		638,704
Time deposits		-		979,658
Cash and bank balances		<u>2,364,161</u>		<u>2,718,223</u>
		3,550,942		4,336,585
Less: CURRENT LIABILITIES				
Accounts payable and accrued charges		<u>177,741</u>		<u>245,413</u>
NET CURRENT ASSETS			<u>3,373,201</u>	<u>4,091,172</u>
NET ASSETS			<u>5,454,104</u>	<u>6,214,836</u>
 <i>represented by:</i>				
FUNDS AND RESERVE				
Accumulated fund	11		5,590,955	5,879,034
Investment revaluation reserve	12		131,960	196,048
Scholarship fund	13		307,562	307,562
Staff development fund	14		222,716	172,246
Dr. Marion Fang arts with the Disabled Memorial Fund	15		252,391	289,967
Designated funds	16		<u>(1,051,480)</u>	<u>(630,021)</u>
			<u>5,454,104</u>	<u>6,214,836</u>

Approved by the Executive Committee on 31st October 2014.



Executive Committee member



Executive Committee member