

**THE HONG KONG DOWN SYNDROME ASSOCIATION**  
**香港唐氏綜合症協會**  
**(INCORPORATED IN HONG KONG AND LIMITED BY GUARANTEE)**

**REPORTS AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2018**

## **REPORT OF THE COMMITTEE MEMBERS**

The committee members have pleasure in submitting their annual report together with the audited financial statements for the year ended 31 March 2018.

### **Business review**

The Hong Kong Down Syndrome Association (“the Association”) was registered as a non-profit making organisation in October 1987. We are committed to serving individuals with Down Syndrome, intellectual disabilities or other disabilities and their family members by providing them with integrated family support and vocational rehabilitation services. We uphold a firm belief that people with these disabilities should enjoy all basic human rights and equal opportunity in our society. Creating a supportive and inclusive environment is thus very important.

Through the years, the Association has been striving to provide quality and tailored services to improve the quality of life among service users and help them develop their personal growth fully in every aspect of life. After years of effort, we have achieved substantial and positive impact in society through our services. Our self-financed DS Centre offers a variety of activities, interest classes, training and counselling services to our members with Down Syndrome at all ages. Also, both DS Centre and Bradbury Parents Resources Centre provide holistic and diversified family support services including case management, support groups, family networks and so on. In the area of vocational rehabilitation services, the Association continues to expand our employers’ network and develop social enterprise, offer various types of vocational training to our members and help them become self-reliant.

During the year ended 31 March 2018, there were an increase of income in General Fund by 4.3% from HK\$16,685,753 to HK\$17,408,972 and an increase of income in Designated Fund by 48.7% from HK\$6,589,191 to HK\$9,798,231 respectively as comparing to those during the year ended 31 March 2017. In regard to the 30th Anniversary, the Association had organised a series of activities such as the Association’s 30th Anniversary Symposium, Slogan & Icon Design Competition, 321 World Down Syndrome Day Dinner and Family Exchange Tour to Singapore during the year. In addition, the Association’s innovative projects were acknowledged by the service users, e.g. “The Centre for Active Ageing and Community Inclusion for Adults with Intellectual Disabilities” sponsored by Fu Tak Iam Foundation Limited was operated for tackling the ageing problems of the service users and their parents; “Chinachem x HKDSA – 321 Life Album” sponsored by Chinachem Group for providing the reminiscence therapy; “Smart & Fit DS Kids” supported by the government chief information officer for developing a mobile app and improving the well-being and learnings of our service users; Project “Smart fit” sponsored by Huawei and Mr. Michael Leung, MH, Chairman of the Association, was held for helping service users to build a more healthy lifestyle by using smart hand band.

DS Centre, a self-financed centre, will be reallocated from Wan Chai to Hing Wah Estate in Chai Wan, and will run a three-year project donated by The Hong Kong Jockey Club Charities Trust. A new and comprehensive service delivery is expected in the new centre though there will be a change and adjustment to the service users.

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**YEAR ENDED 31 MARCH 2018**

**Business review (continued)**

To support the employment of the people with disabilities, the Employment Service Centre has collaboration with various corporations. This year, a series of training programmes were organised with Upper House, KFC and Blossom Minds, and subsequently there were 11 members successfully hired by corporations after the completion of trainings. The Association will keep on creating opportunities of training and employment with more and more business partners.

“The Centre for Active Ageing and Community Inclusion for Adults with Intellectual Disabilities” sponsored by Fu Tak Iam Foundation Limited will be completed in October 2018. The Association will continue to support the services for tackling the ageing problems of the service users and their parents and will search for new resources for providing the relevant services.

Under the Social Welfare Development Fund supported by the Social Welfare Department, the Association will conduct a business system upgrading and some staff trainings. To acquire an efficient management on the membership, the Association is going to renew and upgrade the Membership and Event Management System. To enhance the professionalism of the staff, the Association will provide specialised trainings. It is expected that those internal inputs can bring a long-term positive impacts on our professional services.

**Principal activities**

The Association is a charitable organisation and is engaged in providing services, information and facilities for people with Down Syndrome and other disabilities and their families.

**Results**

The results of the Association for the year ended 31 March 2018 and the state of the Association's affairs as at that date are set out in the financial statements on pages 6 to 29.

**Property, plant and equipment**

Details of movements in property, plant and equipment during the year are set out in note 8 to the financial statements.

**THE HONG KONG DOWN SYNDROME ASSOCIATION**  
**香港唐氏綜合症協會**  
**YEAR ENDED 31 MARCH 2018**

**Committee members**

The committee members of the Association during the year and up to the date of this report were:

Chairman	- Mr. Leung Kin Man, Michael
Vice Chairman and Hon. Secretary	- Mrs. Kong Ma Yuk Kum
Vice Chairman	- Mrs. Tong Hui Sim Kiu, Heidi (resigned on 25 November 2017)
Hon. Treasurer	- Mr. Yip Wai Ming, Patrick
Chairman of Parent Committee	- Ms. Yeung Ying Mui
Vice Chairman of Parent Committee	- Ms. Im Fung Kiu
Committee members	- Mr. Chor Wai Hing, Keith
	- Mrs. Junko Sommerau
	- Mrs. Lau So King Shun
	- Dr. Lee Chi Chiu
	- Dr. Li Kin Yin, Mark
	- Ms. Wong Hing Hing, Frazer
	- Mr. Yiu Wing Fai
	- Mr. Law Ming Fai, Ben
	- Mr. Lam Yuk Kit (appointed on 25 November 2017)
	- Mr. Ng Wai Tong (appointed on 25 November 2017)
	- Mr. Pang Chung Yin (appointed on 25 November 2017)
	- Ms. Lee Siu Chun, Daisy (resigned on 25 November 2017)

**Committee members' interests in shares or debentures**

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

**Committee members' interests in contracts**

No contracts of significance to which the Association was a party, in which a committee member of the Association had a material interest, subsisted at the end of the year or at any time during the year.

**Auditor**

The financial statements of the Association for the year ended 31 March 2017 have been audited by Cheng & Cheng Limited. The financial statements of the Association for the year ended 31 March 2018 have been audited by K.W. Tam & Co. who retire and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of K.W. Tam & Co. as auditors of the Association is to be proposed at the forthcoming annual general meeting.

By order of the committee

  
Mr. Leung Kin Man, Michael  
Chairman

Hong Kong, 29 October 2018

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF  
THE HONG KONG DOWN SYNDROME ASSOCIATION**  
香港唐氏綜合症協會  
(incorporated in Hong Kong and limited by guarantee)

譚根榮會計師行  
香港九龍觀塘道 370 號  
創紀之城 3 期 20 樓 2002 室

**K.W. Tam & Co.**  
Certified Public Accountants (Practising)  
Unit 2002, 20/F, Millennium City 3,  
370 Kwun Tong Road, Kowloon,  
Hong Kong

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Fax : (852) 2393 2988  
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## Opinion

We have audited the financial statements of The Hong Kong Down Syndrome Association set out on pages 6 to 29, which comprise the statement of financial position as at 31 March 2018, and the statement of income and expenditure, statement of changes in funds and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of the Association as at 31 March 2018, and of its financial performance and its cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standard for Private Entities ("HKFRS for Private Entities") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

## Basic for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Association in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Information Other than the Financial Statements and Auditor's Report Thereon

The committee members are responsible for the other information. The other information comprises the information included in the report of the committee members, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF  
THE HONG KONG DOWN SYNDROME ASSOCIATION  
香港唐氏綜合症協會  
(incorporated in Hong Kong and limited by guarantee)**

**Responsibilities of Committee Members and those charged with Governance for the Financial Statements**

The committee members are responsible for the preparation of the financial statements that give a true and fair view in accordance with HKFRS for Private Entities issued by the HKICPA and the Hong Kong Companies Ordinance, and for such internal control as the committee members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the committee members are responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the committee members either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, in accordance with section 405 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.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with HKSAAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the committee members.

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF  
THE HONG KONG DOWN SYNDROME ASSOCIATION**

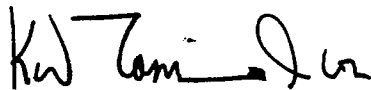
**香港唐氏綜合症協會**

*(incorporated in Hong Kong and limited by guarantee)*

**Auditor's Responsibilities for the Audit of the Financial Statements (continued)**

- Conclude on the appropriateness of the committee members' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



K.W. Tam & Co.  
Certified Public Accountants (Practising)  
Unit 2002, 20th Floor,  
Millennium City 3,  
370 Kwun Tong Road,  
Kowloon, Hong Kong

29 October 2018

**THE HONG KONG DOWN SYNDROME ASSOCIATION**  
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**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018**

**STATEMENT OF INCOME AND EXPENDITURE**  
**FOR THE YEAR ENDED 31 MARCH 2018**

	Note	2018 HK\$	2017 HK\$
<b>GENERAL FUND</b>			
Income	3	17,408,972	16,685,753
Expenditure	4	( 16,221,937 )	( 15,440,313 )
Surplus for the year		<u>1,187,035</u>	<u>1,245,440</u>
<b>DESIGNATED FUNDS</b>			
Income	12	9,798,231	6,589,191
Expenditure	12	( 10,572,512 )	( 10,632,699 )
Deficit for the year		<u>( 774,281 )</u>	<u>( 4,043,508 )</u>
Net surplus/(deficit) for the year	5	412,754	( 2,798,068 )
Other comprehensive income for the year		<u>--</u>	<u>--</u>
Total comprehensive income/(deficit) for the year		<u>412,754</u>	<u>( 2,798,068 )</u>

The accompanying notes including accounting policies form an integral part of, and should be read in conjunction with, these financial statements.



**THE HONG KONG DOWN SYNDROME ASSOCIATION**  
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**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018**

**STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2018**

	Note	2018 HK\$	2018 HK\$	2017 HK\$
<b>Non-current asset</b>				
Property, plant and equipment	8		--	--
				-----
<b>Current assets</b>				
Deposits, prepayments and account receivables	9	1,179,211		956,231
Cash at banks and in hand	10	<u>11,819,391</u>		<u>11,884,941</u>
		12,998,602		12,841,172
<b>Current liabilities</b>				
Other payables	11	( <u>714,250</u> )		( <u>941,782</u> )
<b>Net current assets</b>			12,284,352	11,899,390
			-----	-----
<b>Net assets</b>			<u>12,284,352</u>	<u>11,899,390</u>
<b>Funds</b>				
General fund			2,167,808	1,931,009
Designated funds	12		4,231,319	4,198,855
Social Welfare Subvention Surpluses Account	20		4,141,061	4,023,530
Lump Sum Grant P.F. Surplus Reserve			<u>1,744,164</u>	<u>1,745,996</u>
<b>Total funds</b>			<u>12,284,352</u>	<u>11,899,390</u>

Approved on behalf of the committee by:

  
Mr. Leung Kin Man, Michael  
Chairman

  
Mr. Yip Wai Ming, Patrick  
Honorary Treasurer

The accompanying notes including accounting policies form an integral part of, and should be read in conjunction with, these financial statements.

**THE HONG KONG DOWN SYNDROME ASSOCIATION**  
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**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018**

**STATEMENT OF CHANGES IN FUNDS**  
**FOR THE YEAR ENDED 31 MARCH 2018**

	General fund HK\$	Designated funds HK\$	Social welfare subvention surpluses account HK\$	Lump sum grant P.F. surplus reserve HK\$	Total HK\$
At 1 April 2016	1,588,914	7,729,016	3,980,229	1,397,886	14,696,045
Total comprehensive income/(loss) for the year	1,245,440	( 4,043,508 )	--	--	( 2,798,068 )
Reclassification of funds	--	--	( 248,381 )	248,381	--
Refund (to)/from HKSAR government	--	--	( 1,574 )	21,918	20,344
Transfer net deficit from designated funds to general fund	( 513,347 )	513,347	--	--	--
LSP absorbed by general fund	( 18,931 )	--	--	--	( 18,931 )
Transfer from general fund to social welfare subvention surpluses account	( 293,256 )	--	293,256	--	--
Transfer from general fund to lump sum grant P.F. surplus reserve	( 77,811 )	--	--	77,811	--
At 31 March 2017	1,931,009	4,198,855	4,023,530	1,745,996	11,899,390
Total comprehensive income/(loss) for the year	1,187,035	( 774,281 )	--	--	412,754
Refund from/(to) HKSAR government	--	--	5,619	( 33,411 )	( 27,792 )
Transfer net deficit from designated funds to general fund	( 806,745 )	806,745	--	--	--
Transfer from general fund to social welfare subvention surpluses account	( 111,912 )	--	111,912	--	--
Transfer from general fund to lump sum grant P.F. surplus reserve	( 31,579 )	--	--	31,579	--
At 31 March 2018	<u>2,167,808</u>	<u>4,231,319</u>	<u>4,141,061</u>	<u>1,744,164</u>	<u>12,284,352</u>

The accompanying notes including accounting policies form an integral part of, and should be read in conjunction with, these financial statements.

**THE HONG KONG DOWN SYNDROME ASSOCIATION**  
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**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2018**

	Note	2018 HK\$	2017 HK\$
<b>Operating activities</b>			
Net surplus/(deficit) before tax		412,754	( 2,798,068 )
Adjustments for:			
Bank interest income		( 80,334 )	( 77,770 )
<b>Operating surplus/(deficit) before changes in working capital</b>		332,420	( 2,875,838 )
(Increase)/decrease in deposits, prepayment and account receivables		( 222,980 )	11,833
(Decrease)/increase in other payables		( 227,532 )	451,278
Refund (paid to)/received from government		( 27,792 )	20,344
Refund to long service payment		--	( 18,931 )
<b>Cash used in operating activities</b>		( 145,884 )	( 2,411,341 )
Interest received		80,334	77,770
<b>Net cash used in operating activities</b>		( 65,550 )	( 2,333,544 )
<b>Net cash used in investing activities</b>		--	--
<b>Net cash used in financing activities</b>		--	--
<b>Net decrease in cash and cash equivalents</b>		( 65,550 )	( 2,333,544 )
<b>Cash and cash equivalents at the beginning of the year</b>		11,884,941	14,218,485
<b>Cash and cash equivalents at the end of the year</b>	10	11,819,391	11,884,941

The accompanying notes including accounting policies form an integral part of, and should be read in conjunction with, these financial statements.

**THE HONG KONG DOWN SYNDROME ASSOCIATION**  
**香港唐氏綜合症協會**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018**

**NOTES TO THE FINANCIAL STATEMENTS**

**1. Reporting entity**

The Hong Kong Down Syndrome Association (“the Association”) is a charitable organisation incorporated and domiciled in Hong Kong and has its registered office and principal place of operation at Room 103-106, G/F., Wing Shui House, Lek Yuen Estate, Shatin, New Territories, Hong Kong. The Association is engaged in providing services, information and facilities for people with Down Syndrome and other disabilities and their families.

**2. Significant accounting policies**

These 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 and the requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention.

**(a) 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) Government grants**

Government grants are recognised at their fair value where there is reasonable assurance that the grants will be received and all attaching conditions will be complied with.

Government grants related to income are recognised as income over the periods necessary to match them with the related costs.

Where a refund is required under the terms of the agreement and a refund is probable, a liability is recognised for the expected amount of the refund.

**(ii) Donations, subventions and members’ subscriptions are recognised as income upon receipt or when the corresponding projects or activities are held.**

**(iii) Revenue from sales of goods is recognised when goods are delivered and title to the goods has been passed to customers.**

**(iv) Revenue from services provided is recognised when the services are rendered.**

**(v) Interest income from bank deposits is accrued on a time-apportioned basis on the principal outstanding and at the rate applicable.**

**NOTES TO THE FINANCIAL STATEMENTS**

**2. Significant accounting policies (continued)**

**(b) Property, plant and equipment**

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Where the Association acquires leasehold land for own use under a finance lease, the prepaid cost included in property, plant and equipment on initial recognition represents the fair value of the leasehold land, or if lower, the present value of the minimum lease payments, determined at the inception of the lease and any initial direct costs of the lessee (incremental costs that are directly attributable to negotiating and arranging a lease).

The other cost of such items of property, plant and equipment comprises the following:

- the purchase price, including legal and brokerage fees, import duties and non-refundable purchase taxes, after deducting trade discounts and rebates;
- any costs directly attributable to bringing the asset to the location and condition necessary for them to be capable of operating in the manner intended by management;
- the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Depreciation is charged so as to allocate the cost of assets less their residual values over their estimated useful lives, using the straight-line method. Assets held under finance leases, for which there is no reasonable certainty that the Association will obtain ownership at the end of the lease term, are depreciated over their expected useful lives on the same basis as owned assets, or where shorter, the terms of the relevant lease. The following annual rates are used for the depreciated of property, plant and equipment:

Furniture and fixtures	33%
Office equipment	33%

If there is an indication that there has been a significant change in the depreciation rate, useful life or residual value of an asset, the depreciation of that asset is revised prospectively to reflect the new expectations.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

**(c) Account and other receivables**

Account and other receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of account and other receivables is established when there is objective evidence that the Association will not be able to collect all amounts due according to the original terms of the receivables.

**(d) Other payables**

Other payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

**THE HONG KONG DOWN SYNDROME ASSOCIATION**  
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**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018**

**2. Significant accounting policies (continued)**

(e) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less. Bank overdraft is shown within bank borrowings in current liabilities on the statement of financial position.

(f) Employee benefit obligations

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

(g) Impairment of non-financial assets, other than inventories

At each reporting date, property, plant and equipment, intangible assets, and investments in subsidiaries and associates 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 an estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

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, 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 profit or loss.

(h) Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the Association. All other leases are classified as operating leases.

Rights to assets held under finance leases are recognised as assets of the Association at the fair value of the leased property (or, if lower, the present value of minimum lease payments) at the inception of the lease. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are deducted in measuring profit or loss. Assets held under finance leases are included in property, plant and equipment, and depreciated and assessed for impairment losses in the same way as owned assets.

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease.

(i) Designated funds

The designated funds consist of those resources which are designated by donors or approved by the committee as to the purposes for which they may be expected. Movements of designated funds during the year are described in note 12 to the financial statements.

**THE HONG KONG DOWN SYNDROME ASSOCIATION**  
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**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018**

**2. Significant accounting policies (continued)**

(j) Related parties

For the purpose of these financial statements, related party includes a person and entity as defined below:

- (1) A person or a close member of that person's family is related to the Association if that person:
  - (i) is a member of the key management personnel of the Association or of a parent of the Association;
  - (ii) has control over the Association; or
  - (iii) has joint control or significant influence over the reporting entity or has significant voting power in it.
- (2) An entity is related to the Association if any of the following conditions applies:
  - (i) The entity and the Association are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
  - (ii) Either entity is an associate or joint venture of the other entity (or of a member of a group of which the other entity is a member).
  - (iii) Both entities are joint ventures of a third entity.
  - (iv) Either entity is a joint venture of a third entity and the other entity is an associate of the third entity.
  - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Association or an entity related to the Association. If the reporting entity is itself such a plan, the sponsoring employers are also related to the plan.
  - (vi) The entity is controlled or jointly controlled by a person identified in note 2(j)(1) to the financial statements.
  - (vii) A person identified in note 2(j)(1)(i) to the financial statements has significant voting power in the entity.
  - (viii) The entity of which it is a part, provides key management personnel services to the Association.

**THE HONG KONG DOWN SYNDROME ASSOCIATION**  
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**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018**

**3. General Fund – Income**

	Association HK\$	Bradbury Parents Resource Centre HK\$	Employment Service Centre HK\$	Tiptop Training Centre HK\$	On the Job Training Programme HK\$	Sunnyway On the Job Training Programme HK\$	2018 HK\$
Bank interest income	80,334	--	--	--	--	--	80,334
Donation received – allocation from the Community Chest	62,000	--	--	--	--	--	62,000
Insurance service compensation received	35,414	--	--	--	--	--	35,414
Long service payment received	4,492	--	--	--	--	--	4,492
Membership fee	14,750	4,884	--	--	--	--	19,634
Other donations	1,599,869	--	--	--	--	--	1,599,869
Pay in lieu notice received	--	--	--	20,157	--	--	20,157
Program income	96,005	320,232	29,757	127,161	--	--	573,155
Program income – Community Chest	127,559	--	--	--	--	--	127,559
Social welfare subvention	1,695,661	3,956,539	1,978,273	5,652,201	466,308	381,526	14,130,508
Social welfare subvention – rent and rates	--	137,216	66,591	501,801	--	--	705,608
Social welfare subvention – one-off funding - self	--	--	--	--	--	--	--
Venue rental income	1,200	--	--	--	--	--	1,200
Other income	39,646	--	--	9,396	--	--	49,042
	<u>3,756,930</u>	<u>4,418,871</u>	<u>2,074,621</u>	<u>6,310,716</u>	<u>466,308</u>	<u>381,526</u>	<u>17,408,972</u>



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**3. General Fund – Income (continued)**

	Association HK\$	Bradbury Parents Resource Centre HK\$	Employment Service Centre HK\$	Tiptop Training Centre HK\$	On the Job Training Programme HK\$	Sunnyway On the Job Training Programme HK\$	2017 HK\$
Bank interest income	77,756	--	--	--	--	--	77,756
Donation received – allocation from the Community Chest	60,100	--	--	--	--	--	60,100
Membership fee	10,150	4,246	--	--	--	--	14,396
Other donations	1,449,497	--	--	--	--	--	1,449,497
Program income	23,220	300,278	75,272	64,564	--	--	463,334
Program income – Community Chest	79,489	--	--	--	--	--	79,489
Social welfare subvention	1,719,217	3,987,759	1,991,482	6,003,697	453,983	371,440	14,527,578
Other income	5,536	--	8,067	--	--	--	13,603
	<u>3,424,965</u>	<u>4,292,283</u>	<u>2,074,821</u>	<u>6,068,261</u>	<u>453,983</u>	<u>371,440</u>	<u>16,685,753</u>

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**4. General Fund – Expenditure**

	Association HK\$	Bradbury Parents Resource Centre HK\$	Employment Service Centre HK\$	Tiptop Training Centre HK\$	On the Job Training Programme HK\$	Sunnyway On the Job Training Programme HK\$	2018 HK\$
Advertisement	3,152	6,305	1,358	10,565	--	--	21,380
Auditor's remuneration	31,480	--	--	--	--	--	31,480
Bank charges and interest	16,688	--	--	--	--	--	16,688
Broadband connection	--	5,976	5,976	10,752	--	--	22,704
Car inspection fee	--	--	--	6,995	--	--	6,995
Car license fee	--	--	--	2,404	--	--	2,404
Car park expenses	--	--	--	135	--	--	135
Car park rental charges	--	--	--	33,680	--	--	33,680
Community Network	9,130	--	--	--	--	--	9,130
Computer expenses	82	82	818	1,432	--	--	2,414
Conference	2,259	--	--	--	--	--	2,259
Consultancy fee	--	--	--	--	--	--	--
DS News	40,757	--	--	--	--	--	40,757
Electrical appliance	--	--	--	--	--	--	--
Electricity and water	432	29,992	31,496	123,470	--	--	185,390
Food for service user	--	--	--	2,209	--	--	2,209
Furniture & fixture	190	1,471	739	--	--	--	2,400
Gratuity	50,000	--	--	--	--	--	50,000
Health program	22,433	--	--	--	--	--	22,433
Insurance	17,799	43,434	28,669	57,392	3,525	3,390	154,209
Job attachment allowance	--	--	--	--	12,000	-	12,000
Job trial allowance	--	--	--	--	68,636	6,282	74,918
Meeting	6,278	--	--	--	--	--	6,278
MPF and P-fund contribution	82,739	216,545	105,772	253,860	27,595	13,113	699,624
Newspaper and periodicals	100	2,235	2,280	--	--	--	4,615
Balance c/f	283,519	306,040	177,108	502,894	111,756	22,785	1,404,102

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**4. General Fund – Expenditure (continued)**

	Association HK\$	Bradbury Parents Resource Centre HK\$	Employment Service Centre HK\$	Tiptop Training Centre HK\$	On the Job Training Programme HK\$	Sunnyway On the Job Training Programme HK\$	2018 HK\$
Balance b/f	283,519	306,040	177,108	502,894	111,756	22,785	1,404,102
Occupational therapy services	--	--	--	49,830	--	--	49,830
Office supplies and cleaning	18,342	15,179	9,865	57,163	--	--	100,549
Other office equipment	490	465	--	566	--	--	1,521
Postage	3,748	14,575	1,854	837	--	--	21,014
Printing and stationery	12,422	34,408	18,352	34,859	--	--	100,041
Processing charges	--	--	--	--	--	--	--
Program expenses – community chest	195,035	--	--	--	--	--	195,035
Program expenses	336,712	446,607	96,796	211,606	--	--	1,091,721
Promotion and advertising	--	--	--	--	--	--	--
Raw material	--	--	--	4,547	--	--	4,547
Redundancy payment	10,798	--	--	--	--	--	10,798
Rent and rates	137,381	137,216	66,591	471,800	--	--	812,988
Repair and maintenance	41,534	20,393	33,699	86,918	--	--	182,544
Resource and toy library	--	1,207	--	--	--	--	1,207
Salaries and allowances	2,139,010	3,311,073	1,911,474	3,698,412	367,932	259,514	11,687,415
Souvenir	1,294	--	--	--	--	--	1,294
Subscription fee	8,467	200	--	--	--	--	8,667
Sundry expenses	55,867	1,490	--	941	--	--	58,298
Telephone and fax	--	5,388	6,384	11,508	--	--	23,280
Trainee incentive allowances	--	--	--	430,678	--	--	430,678
Travelling and entertainment	6,791	5,773	13,983	9,582	--	--	36,129
Volunteer allowances	--	279	--	--	--	--	279
	<u>3,251,410</u>	<u>4,300,293</u>	<u>2,336,106</u>	<u>5,572,141</u>	<u>479,688</u>	<u>282,299</u>	<u>16,221,937</u>

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**4. General Fund – Expenditure (continued)**

	Association HK\$	Bradbury Parents Resource Centre HK\$	Employment Service Centre HK\$	WEP – Tip Top Training Centre HK\$	Tiptop Training Centre HK\$	On the Job Training Programme HK\$	Sunnyway On the Job Training Programme HK\$	2017 HK\$
Advertisement	17,324	9,713	--	--	7,838	--	--	34,875
Auditor's remuneration	30,630	--	--	--	--	--	--	30,630
Bank charges and interest	15,814	--	--	--	--	--	100	15,914
Broadband connection	--	5,976	5,976	--	8,497	--	--	20,449
Car park rental charges	--	--	--	--	32,150	--	--	32,150
Computer expenses	32,665	4,959	--	--	2,167	--	--	39,791
Conference	7,077	3,240	500	--	5,300	--	--	16,117
Consultancy fee	57,000	--	--	--	4,990	--	--	61,990
DS News	37,392	--	--	--	--	--	--	37,392
Electrical appliance	4,300	--	808	--	1,036	--	--	6,144
Electricity and water	216	29,621	29,534	--	119,534	--	--	178,905
Food for service user	--	--	--	1,578	--	--	--	1,578
Furniture & fixture	19,383	2,940	8,050	--	7,090	--	--	37,463
Insurance	26,742	34,117	29,286	--	56,060	1,918	3,303	151,426
Job attachment allowance	--	--	--	--	--	8,000	6,000	14,000
Job trial allowance	--	--	--	--	--	6,895	35,918	42,813
Meeting	5,585	--	195	--	--	--	--	5,780
MPF and P-fund contribution	79,773	195,925	92,267	--	231,343	20,038	12,886	632,232
Newspaper and periodicals	--	2,031	1,447	--	--	--	--	3,478
Occupational therapy services	--	--	--	--	--	--	--	--
Balance c/f	333,901	288,522	168,063	1,578	476,005	36,851	58,207	1,363,127

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**4. General Fund – Expenditure (continued)**

	Association HK\$	Bradbury Parents Resource Centre HK\$	Employment Service Centre HK\$	WEP – Tip Top Training Centre HK\$	Tiptop Training Centre HK\$	On the Job Training Programme HK\$	Sunnyway On the Job Training Programme HK\$	2017 HK\$
Balance b/f	333,901	288,522	168,063	1,578	476,005	36,851	58,207	1,363,127
Office supplies and cleaning	15,478	5,119	9,131	--	52,353	--	--	82,081
Other office equipment	90,609	2,126	3,502	--	15,440	--	--	111,677
Postage	3,945	14,686	1,782	--	566	--	--	20,979
Printing and stationery	14,166	32,121	18,398	789	28,913	--	--	94,387
Processing charges	--	596	--	--	--	--	--	596
Program expenses –								
Community Chest	147,484	--	--	--	--	--	--	147,484
Program expenses	259,838	433,587	99,878	--	120,987	--	--	914,290
Promotion and advertising	18,720	--	--	--	--	--	--	18,720
Raw material	--	--	--	--	--	--	--	--
Rent and rates	137,381	137,216	66,591	--	471,800	--	--	812,988
Resource and toy library	--	1,283	--	--	--	--	--	1,283
Repair and maintenance	81,808	18,978	22,576	--	63,655	--	--	187,017
Salaries and allowances	1,966,708	3,010,066	1,780,494	--	3,705,966	346,463	257,712	11,067,409
Souvenir	53,995	--	--	--	192	--	--	54,187
Subscription fee	9,292	--	--	--	--	--	--	9,292
Sundry expenses	37,118	10,850	300	--	--	--	--	48,268
Telephone and fax	1,450	5,388	6,384	--	11,718	--	--	24,940
Trainee incentive allowance	--	--	--	28,390	430,676	--	--	459,066
Training program material	--	--	--	--	--	--	--	--
Travelling and entertainment	5,741	1,704	11,962	--	2,715	--	--	22,122
Volunteer allowances	--	400	--	--	--	--	--	400
	<u>3,177,634</u>	<u>3,962,642</u>	<u>2,189,061</u>	<u>30,757</u>	<u>5,380,986</u>	<u>383,314</u>	<u>315,919</u>	<u>15,440,313</u>

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**5. Net surplus/(deficit) for the year**

Net surplus/(deficit) for the year is arrived at after charging:

	2018 HK\$	2017 HK\$
(a) Staff costs:		
Contributions to defined contribution plan	1,037,056	905,345
Salaries and other staff costs	<u>17,585,255</u>	<u>15,874,185</u>
	<u>18,622,311</u>	<u>16,779,530</u>
(b) Other item:		
Auditor's remuneration	31,480	30,360
Key management personnel's remuneration	<u>945,240</u>	<u>901,620</u>

**6. Committee members' remuneration**

Committee members' remuneration disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

	2018 HK\$	2017 HK\$
Fees	--	--
Contributions to defined contribution plan	--	--
Other emoluments	<u>--</u>	<u>--</u>
	<u>--</u>	<u>--</u>

**7. Income tax**

No provision for Hong Kong Profits Tax has been made as the Association is exempted from tax under section 88 of the Inland Revenue Ordinance.

**8. Property, plant and equipment**

	Furniture and fixtures HK\$	Office equipment HK\$	Total HK\$
Cost:			
At 1 April 2016			
and at 31 March 2017	31,806	178,072	209,878
Accumulated depreciation:			
At 1 April 2016			
and at 31 March 2017	<u>31,806</u>	<u>178,072</u>	<u>209,878</u>
Net book value:			
At 31 March 2017	<u>--</u>	<u>--</u>	<u>--</u>

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**8. Property, plant and equipment (continued)**

	Furniture and fixtures HK\$	Office equipment HK\$	Total HK\$
Cost:			
At 1 April 2017			
and at 31 March 2018	31,806	178,072	209,878
Accumulated depreciation:			
At 1 April 2017			
and at 31 March 2018	<u>31,806</u>	<u>178,072</u>	<u>209,878</u>
Net book value:			
At 31 March 2018	<u>    --</u>	<u>    --</u>	<u>    --</u>

**9. Deposits, prepayments and accounts receivable**

	2018 HK\$	2017 HK\$
Account receivables	751,600	574,056
Prepayments, deposits and other receivables	<u>427,611</u>	<u>382,175</u>
	<u>1,179,211</u>	<u>956,231</u>

**10. Cash and cash equivalents**

	2018 HK\$	2017 HK\$
Cash at banks in the statement of financial position and in the statement of cash flows	<u>11,819,391</u>	<u>11,884,941</u>

**11. Other payables**

	2018 HK\$	2017 HK\$
Accruals	187,949	191,600
Receipts in advance	146,301	420,182
Provision for annual leave entitlement	180,000	130,000
Provision for long service payment	<u>200,000</u>	<u>200,000</u>
	<u>714,250</u>	<u>941,782</u>

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**12. Designated Funds**

	Note	Balance as at 1 April 2016 HK\$	Income for the year ended 31 March 2017 HK\$	Expenditure for the year ended 31 March 2017 HK\$	Transfer from/(to) General Fund HK\$	Balance as at 31 March 2017 HK\$
Adult education		32,076	93,875	( 97,952 )	--	27,999
Ageing services to people with Down Syndrome		933,611	--	--	--	933,611
AI Centre		--	15,309	( 602,256 )	-- (	586,947 )
Arts development fund		693,886	1,000	( 163,144 )	--	531,742
Community Care Fund	13	--	29,500	--	--	29,500
Downs Dancing Team		37,842	72,900	( 90,384 )	--	20,358
Downs Football School		520,677	15,105	( 34,222 )	--	501,560
Dr. Brian Stratford Research & Development Fund		289,334	1,500	( 110,034 )	--	180,800
DS Centre		543,722	552,535	( 1,565,842 )	-- (	469,585 )
English speaking group		8,951	22,430	( 16,140 )	--	15,241
IP Project		237,887	9,255	( 758,085 )	510,943	--
One off Grant	14	4,420	36,150	( 31,800 )	--	8,770
Rover group						
- 84th Kowloon Scout Group		6,385	34,630	( 35,975 )	--	5,040
Scout Group						
- 84th Kowloon Scout Group		26,087	5,850	( 1,954 )	--	29,983
Smart and Fit DS Kids		--	346,500	( 272,673 )	--	73,827
Social Welfare Development Fund (SWDF) Phase 2	16	217,045	11	( 212,359 )	--	4,697
Stevie Memorial Fund		99,235	--	--	--	99,235
Support Group for Parents of Children with Mental Handicap		( 1,501 )	--	--	-- (	1,501 )
SWD Lotteries Fund - Block Grant	18	2,498	212,003	( 206,979 )	--	7,522
SWD Lotteries Fund - Block Grant (Truck)		--	254,131	( 256,535 )	2,404	--
SweetieLand	19	--	327,009	( 591,895 )	-- (	264,886 )
Swimming Team Special		75,297	440,883	( 523,359 )	-- (	7,179 )
The Down's Cantonese Opera		27,161	14,460	( 19,348 )	--	22,273
The Hong Kong Jockey Club Charities Trust - Share Project		24,721	720,258	( 778,765 )	-- (	33,786 )
Trainee allowance fund		3,926,866	3,330,526	( 4,210,512 )	--	3,046,880
Venture group of 84 Kowloon Scout Group		18,483	52,421	( 52,083 )	--	18,821
Volunteer pioneer group		4,333	950	( 403 )	--	4,880
		<u>7,729,016</u>	<u>6,589,191</u>	<u>( 10,632,699 )</u>	<u>513,347</u>	<u>4,198,855</u>



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**12. Designated Funds (continued)**

	Note	Balance as at 1 April 2017 HK\$	Income for the year ended 31 March 2018 HK\$	Expenditure for the year ended 31 March 2018 HK\$	Transfer from/(to) General Fund HK\$	Transfer from/(to) Designated Fund HK\$	Balance as at 31 March 2018 HK\$
Adult education		27,999	72,994	( 80,460 )	--	--	20,533
Ageing services to people with Down Syndrome		933,611	--	--	--	( 933,611 )	--
AI Centre	(	586,947 )	1,428,505	( 1,680,374 )	--	--	( 838,816 )
Arts development fund		531,742	109,999	( 89,874 )	--	--	551,867
Community Care Fund	13	29,500	681,800	( 421,759 )	--	--	289,541
Crisis Inte Scheme 2017		--	63,400	--	--	--	63,400
Downs Dancing Team		20,358	9,370	( 16,819 )	--	--	12,909
Downs Football School		501,560	12,495	( 33,886 )	--	--	480,169
Dr. Brian Stratford Research & Development Fund		180,800	1,450	( 33 )	--	--	182,217
DS Centre	(	469,585 )	1,025,662	( 1,471,255 )	791,632	123,546	--
Encyclopedia		--	30,750	--	--	--	30,750
English speaking group		15,241	12,505	( 6,472 )	--	--	21,274
Life album		--	202,366	( 171,208 )	--	( 31,158 )	--
One off grant	14	8,770	26,760	( 16,899 )	--	--	18,631
Raffle ticket	15	--	163,920	( 31,937 )	( 39,595 )	( 92,388 )	--
Rover group - 84th Kowloon Scout Group		5,040	5,530	( 4,091 )	--	--	6,479
Scout Group - 84th Kowloon Scout Group		29,983	7,687	( 5,921 )	--	--	31,749
Smart and Fit DS Kids		73,827	38,500	( 160,620 )	--	--	( 48,293 )
Social Welfare Development Fund (SWDF) Phase 2	16	4,697	--	--	20,920	--	25,617
Social Welfare Development Fund (SWDF) Phase 3	17	--	151,002	( 110,854 )	--	--	40,148
Stevie Memorial Fund		99,235	--	--	--	933,611	1,032,846
Support Group for Parents of Children with Mental Handicap	(	1,501 )	1,700	( 4,650 )	--	--	( 4,451 )
SWD Lotteries Fund - Block Grant	18	7,522	218,004	( 200,866 )	--	--	24,660
SweetieLand	19	( 264,886 )	547,338	( 498,505 )	--	--	( 216,053 )
Swimming Team Special	(	7,179 )	408,934	( 281,330 )	--	--	120,425
The Down's Cantonese Opera		22,273	6,650	( 20,196 )	--	--	8,727
The Hong Kong Jockey Club Charities Trust - Share Project	(	33,786 )	865,592	( 869,827 )	33,788	--	( 4,233 )
Trainee allowance fund		3,046,880	3,682,149	( 4,372,174 )	--	--	2,356,855
Venture group of 84 Kowloon Scout Group		18,821	21,919	( 22,145 )	--	--	18,595
Volunteer pioneer group		4,880	1,250	( 357 )	--	--	5,773
		<u>4,198,855</u>	<u>9,798,231</u>	<u>( 10,572,512 )</u>	<u>806,745</u>	<u>--</u>	<u>4,231,319</u>

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**13. Community Care Fund**

	2018 HK\$	2017 HK\$
Balance of Community Care Fund brought forward	29,500	--
	-----	-----
Subsidy from Community Care Fund	681,800	29,500
	-----	-----
	681,800	29,500
	-----	-----
Expenditure during the year		
Salaries	( 399,941 )	--
Employer's MPF	( 19,910 )	--
Advertising for recruitment	( 1,108 )	--
Conference and staff development	( 800 )	--
	-----	-----
	( 421,759 )	--
	-----	-----
Balance of Community Care Fund carried forward	289,541	29,500
	=====	=====

**14. One Off Grant**

	2018 HK\$	2017 HK\$
Balance of one off grant brought forward	8,770	4,420
	-----	-----
One off grant received from Social Welfare Department ("SWD") during the year	25,000	34,750
Program income received	1,760	1,400
	-----	-----
	26,760	36,150
	-----	-----
Program expenditure during the year	( 16,899 )	( 31,800 )
	-----	-----
Balance of one off grant carried forward	18,631	8,770
	=====	=====

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**15. Raffle Ticket**

	2018 HK\$	2017 HK\$
For charity raffle from 18 November 2017 to 10 January 2018 in respect of the raffle drawn on 12 January 2018		
Balance of raffle ticket brought forward	--	--
	-----	-----
Lottery proceeds	141,420	--
Other donations	22,500	--
	-----	-----
	163,920	--
	-----	-----
Surplus transferred to General Fund during the period	( 39,595 )	--
Surplus transferred to Designated Fund during the period	( 92,388 )	--
Expenditure during the period	( 31,937 )	--
	-----	-----
	( 163,920 )	--
	-----	-----
Balance of raffle ticket carried forward	--	--
	=====	=====

**16. Social Welfare Development Fund ("SWDF") Phase 2**

	2018 HK\$	2017 HK\$
Balance of SWDF Phase 2 brought forward	4,697	217,045
	-----	-----
Adjusted expenditure for previous years		
Expenditure for projects under scope B (IT) (ii)	20,820	--
Expenditure for administrative support	100	--
	-----	-----
Total adjusted expenditure transferred from General Fund	20,920	--
	-----	-----
Interest received	--	11
	-----	-----
	--	11
	-----	-----
Expenditure during the year		
Expenditure for projects under scope A (i)	--	( 68,452 )
Expenditure for projects under scope A (Non-IT) (ii)	--	--
Expenditure for projects under scope C (iii)	--	( 143,907 )
	-----	-----
	--	( 212,359 )
	-----	-----
Balance of SWDF Phase 2 carried forward	25,617	4,697
	=====	=====

- (i) Scope A – Training and professional development programmes
- (ii) Scope B – Business system upgrading projects
- (iii) Scope C – Studies

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**17. Social Welfare Development Fund (“SWDF”) Phase 3**

	2018 HK\$	2017 HK\$
Balance of SWDF Phase 3 brought forward	--	--
Allocation from SWDF during the year	151,000	--
Interest received	2	--
	151,002	--
Expenditure during the year		
Expenditure for projects under scope A (i)	( 99,854 )	--
Expenditure for projects under scope A (Non-IT) (ii)	--	--
Expenditure for projects under scope B (IT) (ii)	--	--
Expenditure for projects under scope C (iii)	--	--
Expenditure for administrative support	( 11,000 )	--
	( 110,854 )	--
Balance of SWDF Phase 3 carried forward	40,148	--
(i) Scope A – Training and professional development programmes		
(ii) Scope B – Business system upgrading projects		
(iii) Scope C – Studies		

**18. Social Welfare Development Lotteries Fund – Block Grant**

	HK\$	HK\$
Balance of Block Grant Reserve brought forward	7,522	2,498
Block Grant received during the year	218,000	212,000
Interest income received	4	3
	218,004	212,003
Expenditure during the year		
Minor works projects	( 32,153 )	( 128,859 )
Furniture and equipment	( 168,713 )	( 78,120 )
	( 200,866 )	( 206,979 )
Balance of Block Grant Reserve carried forward	24,660	7,522

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**19. SweetieLand**

	2018 HK\$	2017 HK\$
Balance of SweetieLand brought forward	( 264,886 )	--
Amount received from the Community Chest	511,878	281,219
Program income received	<u>35,460</u>	<u>45,790</u>
	547,338	327,009
Expenditure during the year		
Program expenses	( 243,131 )	( 346,099 )
Staff cost	( 255,313 )	( 240,723 )
Miscellaneous	<u>( 62 )</u>	<u>( 5,073 )</u>
	( 498,505 )	( 591,895 )
Balance of SweetieLand carried forward	<u>( 216,053 )</u>	<u>( 264,886 )</u>

**20. Social Welfare Subvention Surpluses Account**

	Balance brought forward HK\$	Income/ refund HK\$	Expenditure/ transfer HK\$	Balance carried forward HK\$
Central items	220,500	--	--	220,500
Interest received	227,172	13,574	--	240,746
Lump sum grant	3,582,211	13,922,392	( 13,820,375 )	3,684,228
Rent and rates	<u>( 6,353 )</u>	<u>711,227</u>	<u>( 709,287 )</u>	<u>( 4,413 )</u>
	<u>4,023,530</u>	<u>14,647,193</u>	<u>( 14,529,662 )</u>	<u>4,141,061</u>

**21. Commitments under operating leases**

At 31 March 2018, the Association had total future minimum lease payments under non-cancellable operating leases in respect of land and buildings for each of the following periods:

	2018 HK\$	2017 HK\$
Within 1 year	1,480,865	1,242,546
After 1 year	<u>308,924</u>	<u>795,785</u>
	<u>1,789,789</u>	<u>2,038,331</u>

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**22. Material related party transactions**

Remuneration of key management personnel, including amounts paid to the Association's committee members as disclosed in note 6 to the financial statements, is as follows:

	2018 HK\$	2017 HK\$
Short-term employee benefits	927,240	883,620
Post-employment benefits	<u>18,000</u>	<u>18,000</u>
	<u>945,240</u>	<u>901,620</u>

**23. Members' liability**

The liability of each member to contribute to the assets of the Association in the event of its being wound up while he is a member or within one year after he ceases to be a member, is limited to HK\$100.

**24. Key sources of estimation uncertainty**

In the opinion of the committee members, there is no material estimation uncertainty in preparing these financial statements that needed to be disclosed.

**25. Comparative figures**

Certain comparative figures have been reclassified to conform with the current year's presentation.

**26. Approval of financial statements**

These financial statements were authorised for issue by the committee on 29 October 2018.