

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 2012

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 2012.

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 2012 and the state of the association's affairs as at that date are set out in the financial statements on pages 5 to 23.

Property, plant and equipment

Details of movements in property, plant and equipment during the year are set out in note 9 to the financial statements.

President, Vice Presidents and Committee Members

The president, vice presidents and committee members of the association during the year and up to the date of this report were:

President	- Sir David Tang, KBE	(resigned on 11 December 2011)
Vice Presidents	- Mr. Andrew Yuen	(resigned on 11 December 2011)
	- Ms. Mary Pandora Cheung	(resigned on 11 December 2011)
Committee members:		
Chairman	- Mrs. Tong Hui Sim Kiu, Heidi	
Vice Chairman	- Mr. Leung Kin Man	
Hon. Secretary	- Mrs. Kong Ma Yuk Kum	
Hon. Treasurer	- Mr. Yip Wai Ming, Patrick	
Other Members	- Mr. Chor Wai Hing, Keith	(appointed on 10 December 2011)
	- Mrs. Chiu Cheung Lai Man	
	- Mr. Fung Yat Sang, Patrick	(appointed on 10 December 2011)
	- Mrs. Junko Sommerau	
	- Mrs. Lau So King Shun	
	- Ms. Lee Siu Chun, Daisy	(appointed on 10 December 2011)
	- Dr. Li Kin Yin, Mark	
	- Mrs. Mak Chan Fung Yee	
	- Dr. Shih Tai Cho, Louis	(resigned on 11 December 2011)

THE HONG KONG DOWN SYNDROME ASSOCIATION
香港唐氏綜合症協會
YEAR ENDED 31 MARCH 2012

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 2011 have been audited by Wong Brothers & Co.. The financial statements of the association for the year ended 31 March 2012 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 auditor of the association is to be proposed at the forthcoming annual general meeting.

By order of the committee



Chairman

Hong Kong, - 8 NOV 2012

**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)

We have audited the financial statements of The Hong Kong Down Syndrome Association ("the association") set out on pages 5 to 23, which comprise the statement of financial position as at 31 March 2012, and the statement of comprehensive income, statement of changes in funds and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Committee Members' Responsibility for the Financial Statements

The committee members are responsible for the preparation of financial statements that give a true and fair view in accordance with the Hong Kong Financial Reporting Standard for Private Entities issued by the Hong Kong Institute of Certified Public Accountants 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.

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 judgement, 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 committee members, 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.

**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)

Opinion

In our opinion, the financial statements give a true and fair view of the state of the association's affairs as at 31 March 2012 and of its surplus and cash flows for the year then ended in accordance with the Hong Kong Financial Reporting Standard for Private Entities and have been properly prepared in accordance with the Hong Kong Companies Ordinance.



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

- 8 NOV 2012

THE HONG KONG DOWN SYNDROME ASSOCIATION
香港唐氏綜合症協會
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2012

	Note	2012 HK\$	2011 HK\$
GENERAL FUND			
Income	4	10,695,771	10,291,831
Expenditure	5	(10,116,644)	(9,761,740)
Surplus for the year		<u>579,127</u>	<u>530,091</u>
DESIGNATED FUNDS			
Income	13	9,309,759	8,743,371
Expenditure	13	(7,772,853)	(9,317,480)
Surplus/(deficit) for the year		<u>1,536,906</u>	<u>(574,109)</u>
Net surplus/(deficit) for the year	6	2,116,033	(44,018)
Other comprehensive income for the year		<u>--</u>	<u>--</u>
Total comprehensive income/(loss) for the year		<u>2,116,033</u>	<u>(44,018)</u>

The notes on pages 9 to 23 form part of 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 2012

STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2012

	Note	2012 HK\$	2012 HK\$	2011 HK\$
Non-current assets				
Property, plant and equipment	9		9,923	-- -----
Current assets				
Deposits, prepayments and account receivables	10	785,967		867,127
Cash at banks and in hand	11	<u>11,029,663</u>		<u>9,033,205</u>
		11,815,630		9,900,332
Current liabilities				
Other payables	12	(<u>611,880</u>)		(<u>788,721</u>)
Net current assets			11,203,750	9,111,611 -----
Net assets			<u>11,213,673</u>	<u>9,111,611</u>
Funds:				
General fund			459,126	687,712
Designated funds	13		7,795,309	5,649,917
Social Welfare Subvention Surpluses Account	17		1,741,224	1,671,790
Lump Sum Grant P.F. Surplus Reserve			<u>1,218,014</u>	<u>1,102,192</u>
Total funds			<u>11,213,673</u>	<u>9,111,611</u>

Approved and authorised for issue by the committee on - 8 NOV 2012


Chairman


Honorary Treasurer

The notes on pages 9 to 23 form part of 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 2012

STATEMENT OF CHANGES IN FUNDS
FOR THE YEAR ENDED 31 MARCH 2012

	Note	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 2010		542,144	6,434,417	1,513,547	674,205	9,164,313
Total comprehensive income for the year		530,091	(574,109)	--	--	(44,018)
Refund to HKSAR government		--	--	(8,684)	--	(8,684)
Transfer from general fund to designated funds		(305,490)	305,490	--	--	--
Allocation of expenditure		515,881	(515,881)	--	--	--
Transfer from general fund to social welfare subvention surpluses account		(311,302)	--	311,302	--	--
Transfer from general fund to lump sum grant P.F. surplus reserve		(283,612)	--	--	283,612	--
Transfer from social welfare subvention surpluses account to lump sum grant P.F. surplus reserve		--	--	(144,375)	144,375	--
At 31 March 2011		687,712	5,649,917	1,671,790	1,102,192	9,111,611
Total comprehensive income for the year		579,127	1,536,906	--	--	2,116,033
Refund to HKSAR government		--	--	(13,971)	--	(13,971)
Transfer from general fund to designated funds	13(i)	(608,486)	608,486	--	--	--
Transfer from general fund to social welfare subvention surpluses account		(83,405)	--	83,405	--	--
Transfer from general fund to lump sum grant P.F. surplus reserve		(115,822)	--	--	115,822	--
At 31 March 2012		<u>459,126</u>	<u>7,795,309</u>	<u>1,741,224</u>	<u>1,218,014</u>	<u>11,213,673</u>

The notes on pages 9 to 23 form part of these financial statements.

THE HONG KONG DOWN SYNDROME ASSOCIATION
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FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2012

	Note	2012 HK\$	2011 HK\$
Operating activities			
Net surplus/(deficit) for the year		2,116,033	(44,018)
Adjustments for:			
Bank interest income		(54,901)	(12,994)
Depreciation		3,817	--
Operating surplus/(deficit) before changes in working capital		2,064,949	(57,012)
Decrease in inventories		--	7,763
Decrease in deposits, prepayments and account receivables		81,160	48,484
Decrease in other payables		(176,841)	(355,808)
Net cash generated from/(used in) operating activities		1,969,268	(356,573)
Investing activities			
Bank interest received		54,901	12,994
Payment for purchase of property, plant and equipment		(13,740)	--
Net cash generated from investing activities		41,161	12,994
Financing activities			
Refund to HKSAR Government		(13,971)	(8,684)
Net cash used in financing activities		(13,971)	(8,684)
Net increase/(decrease) in cash and cash equivalents		1,996,458	(352,263)
Cash and cash equivalents at the beginning of the year		9,033,205	9,385,468
Cash and cash equivalents at the end of the year	11	11,029,663	9,033,205

The notes on pages 9 to 23 form part of 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 2012

NOTES TO THE FINANCIAL STATEMENTS

1. General status

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) Foreign currency translation

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in surplus or deficit.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in surplus or deficit within "finance costs". All other foreign exchange gains and losses are presented in surplus or deficit within "other income" or "other expenses".

(b) 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.

(c) Deposits, prepayments and account receivables

Deposits, prepayments and account 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 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.

THE HONG KONG DOWN SYNDROME ASSOCIATION
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FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

2. Significant accounting policies (continued)

(d) 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 depreciation 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.

(e) Other payables

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

(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.

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2. Significant accounting policies (continued)

(g) 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.

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

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

At each reporting date, property, plant and equipment is 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 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, 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.

(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 13 to the financial statements.

(j) Income recognition

Provided it is probable that the economic benefits will flow to the association and the income and expenditure, if applicable, can be measured reliably, income is recognised in surplus or deficit as follows:

- (i) Donations, subventions and members' subscriptions are recognised as income upon receipt or when the corresponding projects or activities are held.
- (ii) Revenue from sales of goods is recognised when goods are delivered and title to the goods has been passed to customers.
- (iii) Revenue from services provided is recognised when the services are rendered.
- (iv) Interest income from bank deposits is accrued on a time-apportioned basis on the principal outstanding and at the rate applicable.

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FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

2. Significant accounting policies (continued)

(k) 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.

3. Transition to the HKFRS for Private Entities

Application of the HKFRS for Private Entities

The association's financial statements for the year ended 31 March 2012 are its first annual financial statements prepared under accounting policies that comply with the HKFRS for Private Entities. The association applied full Hong Kong Financial Reporting Standards to prepare its financial statements prior to the application of the HKFRS for Private Entities.

The association's date of transition is 1 April 2010 and the association prepared its opening statement of financial position in compliance with the HKFRS for Private Entities at that date.

The association has applied all the mandatory exceptions from full respective application of the HKFRS for Private Entities when preparing these financial statements in accordance with the HKFRS for Private Entities.

The adoption of the HKFRS for Private Entities has had no material effect on how the results for the current or prior accounting years are prepared and presented. Accordingly, no prior year adjustment has been required.

THE HONG KONG DOWN SYNDROME ASSOCIATION
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FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

4. General Fund – Income

	Association HK\$	Bradbury Parents Resource Centre HK\$	Employment Service Centre HK\$	Tiptop Training Centre HK\$	Sunnyway On the Job Training Programme HK\$	On the Job Training Programme HK\$	2012 HK\$	2011 HK\$
Bank interest income	54,616	--	--	--	--	--	54,616	12,673
Donation received – allocation from the Community Chest	56,790	--	--	--	--	--	56,790	50,900
Long service payment received	--	--	--	--	--	--	--	281,302
Membership fee	12,390	8,642	--	--	--	--	21,032	9,660
Other donations	566,336	--	--	--	--	--	566,336	587,865
Program income	61,922	221,728	45,489	46,815	--	--	375,954	654,358
Program income – Community Chest	46,031	--	--	--	--	--	46,031	29,542
Program income – SWD one off self help	--	--	--	--	--	--	--	3,840
Raffle sales and donation	411,441	--	--	--	--	--	411,441	--
Social welfare subvention	462,267	2,192,208	1,364,504	3,974,980	385,146	385,146	8,764,251	8,367,040
Social welfare subvention – Programme Assistants	380,303	--	--	--	--	--	380,303	291,963
Other income	15,845	3,122	--	50	--	--	19,017	2,688
	<u>2,067,941</u>	<u>2,425,700</u>	<u>1,409,993</u>	<u>4,021,845</u>	<u>385,146</u>	<u>385,146</u>	<u>10,695,771</u>	<u>10,291,831</u>

THE HONG KONG DOWN SYNDROME ASSOCIATION
香港唐氏綜合症協會
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

5. General Fund – Expenditure

	Association HK\$	Bradbury Parents Resource Centre HK\$	Employment Service Centre HK\$	Tiptop Training Centre HK\$	Sunnyway On the Job Training Programme HK\$	On the Job Training Programme HK\$	2012 HK\$	2011 HK\$
Advertisement	3,236	3,008	2,981	3,367	--	--	12,592	46,613
Audit fee	1,500	--	--	--	--	--	1,500	3,400
Bank charges and interest	6,180	400	400	400	--	--	7,380	5,694
Broadband connection	--	5,004	3,320	2,904	--	--	11,228	9,772
Car park rental charges	--	--	--	23,400	--	--	23,400	22,200
Computer expenses	12,150	--	--	4,400	--	--	16,550	--
Conference	--	--	--	--	--	--	--	1,777
Depreciation	3,817	--	--	--	--	--	3,817	--
DS News	13,505	--	--	--	--	--	13,505	14,537
Electricity and water	--	26,581	26,622	110,492	--	--	163,695	167,923
Exchange loss	41	--	--	--	--	--	41	--
Gratuity	--	9,020	627	6,681	--	(2,844)	13,484	(9,590)
Insurance	7,926	17,385	12,974	32,212	1,523	3,176	75,196	74,291
Job attachment allowance	--	--	--	--	25,000	7,500	32,500	11,250
Job trial allowance	--	--	--	--	8,184	1,850	10,034	3,788
Meeting	1,735	--	--	--	--	--	1,735	1,926
MPF and P-fund contribution	35,928	110,268	46,144	98,747	10,331	11,451	312,869	284,075
Newspaper and periodicals	--	1,032	1,382	354	--	--	2,768	4,646
Office supplies and cleaning	3,264	1,097	2,725	7,007	--	--	14,093	20,282
Balance c/f	89,282	173,795	97,175	289,964	45,038	21,133	716,387	662,584

THE HONG KONG DOWN SYNDROME ASSOCIATION
香港唐氏綜合症協會
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

5. General Fund – Expenditure (continued)

	Association HK\$	Bradbury Parents Resource Centre HK\$	Employment Service Centre HK\$	Tip-top Training Centre HK\$	Sunnyway On the Job Training Programme HK\$	On the Job Training Programme HK\$	2012 HK\$	2011 HK\$
Balance b/f	89,282	173,795	97,175	289,964	45,038	21,133	716,387	662,584
Postage	8,585	14,967	618	2,620	--	--	26,790	76,083
Printing and stationery	7,242	26,707	13,293	40,660	1,600	--	89,502	94,396
Professional fee	--	--	--	--	--	--	--	3,000
Program expenses	321,088	252,101	69,270	89,835	--	--	732,294	992,446
Programme Assistants salaries and provident fund	368,942	--	--	--	--	--	368,942	290,304
Raffle sales expense	32,196	--	--	--	--	--	32,196	--
Rent and rates	105,222	107,492	51,140	379,200	--	--	643,054	637,698
Repairs and maintenance	23,549	11,483	5,662	30,772	--	--	71,466	182,940
Salaries and allowances	1,014,968	2,194,904	1,031,833	2,287,817	210,252	266,460	7,006,234	6,306,060
Subscription fee	8,319	--	--	--	--	--	8,319	4,100
Sundry expenses	9,698	1,615	--	9,626	--	--	20,939	22,038
SWD – One off funding for self help	1,360	--	--	--	--	--	1,360	23,714
Telephone and fax	--	7,500	6,303	8,671	--	--	22,474	20,940
Trainee incentive allowance	--	--	--	351,686	--	--	351,686	431,666
Travelling and entertainment	2,012	15,283	1,766	5,626	--	--	24,687	13,176
Volunteer allowance	--	314	--	--	--	--	314	595
	<u>1,992,463</u>	<u>2,806,161</u>	<u>1,277,060</u>	<u>3,496,477</u>	<u>256,890</u>	<u>287,593</u>	<u>10,116,644</u>	<u>9,761,740</u>

THE HONG KONG DOWN SYNDROME ASSOCIATION
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FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

6. Net surplus/(deficit) for the year

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

	2012 HK\$	2011 HK\$
(a) Staff costs:		
Contributions to defined contribution plan	488,695	487,741
Salaries and other staff costs	<u>10,570,615</u>	<u>10,435,865</u>
	<u>11,059,310</u>	<u>10,923,606</u>
(b) Other items:		
Auditor's remuneration	15,421	21,797
Depreciation	3,817	--
Exchange loss	41	--
Operating lease charges in respect of land and buildings	<u>1,388,843</u>	<u>1,535,482</u>

7. Committee members' remuneration

Committee members' remuneration disclosed pursuant to section 161 of the Hong Kong Companies Ordinance is as follows:

	2012 HK\$	2011 HK\$
Fees	--	--
Other emoluments	<u>--</u>	<u>--</u>
	<u>--</u>	<u>--</u>

8. 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.

THE HONG KONG DOWN SYNDROME ASSOCIATION
香港唐氏綜合症協會
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

9. Property, plant and equipment

	Furniture and fixtures HK\$	Office equipment HK\$	Total HK\$
Cost:			
At 1 April 2010 and at 31 March 2011	31,806	164,332	196,138
Accumulated depreciation:			
At 1 April 2010 and at 31 March 2011	<u>31,806</u>	<u>164,332</u>	<u>196,138</u>
Net book value:			
At 31 March 2011	<u>---</u>	<u>---</u>	<u>---</u>
Cost:			
At 1 April 2011	31,806	164,332	196,138
Additions	<u>--</u>	<u>13,740</u>	<u>13,740</u>
At 31 March 2012	<u>31,806</u>	<u>178,072</u>	<u>209,878</u>
Accumulated depreciation:			
At 1 April 2011	31,806	164,332	196,138
Charge for the year	<u>--</u>	<u>3,817</u>	<u>3,817</u>
At 31 March 2012	<u>31,806</u>	<u>168,149</u>	<u>199,955</u>
Net book value:			
At 31 March 2012	<u>---</u>	<u>9,923</u>	<u>9,923</u>

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10. Deposits, prepayments and account receivables

	2012 HK\$	2011 HK\$
Account receivables	375,407	446,822
Deposits paid and prepayments	<u>410,560</u>	<u>420,305</u>
	<u>785,967</u>	<u>867,127</u>

11. Cash and cash equivalents

	2012 HK\$	2011 HK\$
Cash at banks and in hand	6,122,049	4,641,946
Short term bank deposits	<u>4,907,614</u>	<u>4,391,259</u>
Cash at banks and in hand in the statement of financial position and cash and cash equivalents in the statement of cash flows	<u>11,029,663</u>	<u>9,033,205</u>

12. Other payables

	2012 HK\$	2011 HK\$
Accruals	189,575	285,118
Receipts in advance	82,658	156,370
Deposit received	--	9,000
Provision for gratuity	9,647	8,233
Provision for annual leave entitlement	130,000	130,000
Provision for long service payment	<u>200,000</u>	<u>200,000</u>
	<u>611,880</u>	<u>788,721</u>

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13. Designated Funds

	Note	Balance brought forward HK\$	Income HK\$	Expenditure HK\$	Transfer (to)/from General Fund (i) HK\$	Transfer (to)/from Designated Fund (i) HK\$	Balance carried forward HK\$
"A Vibrant Life - Sport Training Program for People with Mental Disabilities" under the Partnership Fund for the Disadvantaged		290,342	254,188	(470,449)	--	--	74,081
"A Vibrant Life - Sport Training for People with Disabilities" under ICAP fund		--	408,108	--	--	--	408,108
Handicraft for all - training on Arts and Crafts Making for People with Disabilities under ICAP fund		--	322,254	--	--	--	322,254
Adult Education		39,122	100,972	(103,098)	--	--	36,996
"Love Art Life - Art Development Programme for People with Intellectual Disabilities" under the Partnership Fund for the Disadvantaged		300,000	169,700	(93,926)	--	--	375,774
Arts Development Fund		909,788	500	(40,272)	--	--	870,016
Blooming Market		68,909	1,302,363	(1,279,727)	--	--	91,545
Blooming Market - Community Chest	(296,001)	259,586	(265,680)	--	--	(302,095)
Bring Your Bag	(150,247)	2	(150)	--	--	(150,395)
Chinese Opera		--	10,703	(10,703)	--	--	--
Continuing Education Fund - The Art Link Centre		911,343	960,553	(788,527)	--	--	1,083,369
Donation from Barclays Capital Asia Limited		236,000	--	-- (236,000)	--	--	--
Donation Received for Po Wing Yu		34,843	11,000	(6,920)	--	--	38,923
Down Syndrome Fund		226,775	280	(9,226)	(217,829)	--	--
Downs Dancing Team		34,816	29,220	(28,575)	--	--	35,461
Downs Football School		425,820	269,000	(26,277)	--	--	668,543
Dr. Brian Stratford Research & Development Fund		414,072	--	--	--	--	414,072
English Speaking Group		11,899	--	--	--	--	11,899
"Enhancing Self-Reliance through District Partnership Programme" Project - Blooming Market (Headquarter)		7,848	74,735	--	--	--	82,583
"Enhancing Self-Reliance through District Partnership Programme" Project - Blooming Market - Shop 4	(142,830)	--	--	--	--	(142,830)
Balance c/f		3,322,499	4,173,164	(3,123,530)	(453,829)	--	3,918,304

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13. Designated Funds (continued)

	Note	Balance brought forward HK\$	Income HK\$	Expenditure HK\$	Transfer (to)/from General Fund (i) HK\$	Transfer (to)/from Designated Fund (i) HK\$	Balance carried forward HK\$
Balance b/f		3,322,499	4,173,164	(3,123,530)	(453,829)	--	3,918,304
"Enhancing Employment of People with Disabilities through Small Enterprise" Project - Car Beauty Services (Seed Money I)		762,253	616,188	(477,354)	--	--	901,087
"Enhancing Employment of People with Disabilities through Small Enterprise" Project - Cleaning Services (Seed Money II)		47,778	1,118,503	(945,176)	--	--	221,105
Harmonious Society Fund		5,720	--	--	(5,720)	--	--
Marden Foundation		26,750	--	--	(26,750)	--	--
Printing Centre in ESC		59,749	--	--	--	(59,749)	--
Research Project		603,956	--	(11,449)	--	--	592,507
Reuters Hong Kong Limited - Fund A		30,621	--	(19,688)	--	--	10,933
Scout Group - 84th Kowloon Scout Group		14,538	6,869	(9,351)	--	--	12,056
Small Group Home Project		765,839	371,655	(486,295)	(651,199)	--	--
Stevie Memorial Fund		105,903	--	(6,668)	--	--	99,235
Support Group for Parents of Children with Mental Handicap		(1,501)	--	--	--	--	(1,501)
SWD - Barrier-Free Project		81,588	--	(32,042)	--	--	49,546
Social Welfare Development Fund (SWDF) Phase 1	14	--	483,400	(16,344)	--	--	467,056
SWD - One-off Subsidy	15	99,719	--	(74,756)	--	--	24,963
SWD - Serene Club		(848,086)	736,988	(801,422)	912,520	--	--
SWD Lotteries Fund- Block Grant	16	94,022	131,008	(83,852)	--	--	141,178
SWD Lotteries Fund - Serene Club - Fitting Out Works		(906,423)	90,773	--	815,650	--	--
SWD Lotteries Fund- Tiptop Renovations (08-09)		(120,673)	102,743	116	17,814	--	--
The Down's Cantonese Opera		14,850	7,850	(16,455)	--	--	6,245
The Hong Kong Jockey Club Charities Trust - Share Project		266,264	363,874	(582,689)	--	--	47,449
Trainee Allowance Fund		1,214,530	1,092,735	(1,071,564)	--	59,749	1,295,450
Venture Group of 84 Kowloon Scout Group		7,704	14,009	(14,322)	--	--	7,391
Volunteer Pioneer Group		2,317	--	(12)	--	--	2,305
		<u>5,649,917</u>	<u>9,309,759</u>	<u>(7,772,853)</u>	<u>608,486</u>	<u>--</u>	<u>7,795,309</u>

(i) Certain surpluses/deficits were transferred to General Fund or Designated Fund. Such transfer was approved by committee on 30 August 2012.

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14. Social Welfare Development Fund (SWDF) Phase 1

	HK\$	HK\$
Balance of SWDF brought forward		--
Allocation from SWDF during the year		483,400
Interest received during the year		--
Expenditure during the year:		
Expenditure for projects under scope A (i)	16,344	
Expenditure for projects under scope B (ii)	--	
Expenditure for projects under scope C (iii)	--	
Total expenditure during the year	<u>16,344</u>	(<u>16,344</u>)
Balance carried forward to the next financial year		<u><u>467,056</u></u>
(i) Scope A – Training and professional development programmes		
(ii) Scope B – Business system upgrading projects (IT)		
(iii) Scope C – Studies		

15. SWD - One-off Subsidy

	HK\$	HK\$
Income		
One-off subsidy received	--	
Interest income received	<u>--</u>	--
Expenditure		
Staff training	37,065	
Computerised system maintenance	<u>37,691</u>	(<u>74,756</u>)
Deficit for the year		(74,756)
Cumulative surplus brought forward from previous year		<u>99,719</u>
Cumulative surplus carried forward to next financial year		<u><u>24,963</u></u>

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16. SWD Lotteries Fund – Block Grant

	HK\$	HK\$
Balance of Block Grant Reserve brought forward from previous financial year		94,022
Add: Block Grant received during the year	131,000	
Interest income received	8	
Other income	--	
	<hr/>	131,008
Less: Expenditure during the year		
- Minor Works Projects	27,027	
- Furniture and Equipment	56,825	
- Vehicle Overhauling	--	
	<hr/>	(83,852)
		141,178
Contribution from non-governmental organisation to cover the deficit		<hr/> --
Balance of Block Grant Reserve carried forward to the next financial year		<u>141,178</u>

Capital Commitments

As at 31 March 2012, the outstanding commitments in respect of Furniture and Equipment Replenishment and Minor Works Block Grant were as follows:

	HK\$
Contracted for but not provided in the financial statements	--
Authorised but not contracted for	<hr/> --
	<hr/> --

17. Social Welfare Subvention Surpluses Account

	Balance brought forward HK\$	Income/ Refund HK\$	Expenditure/ Refund/ Transfer HK\$	Balance carried forward HK\$
Central items	1,659	380,303	(370,601)	11,361
Interest received	148,388	10,370	--	158,758
Lump sum grant	1,509,242	8,478,086	(8,424,773)	1,562,555
Rent and rates	<u>12,501</u>	<u>569,593</u>	<u>(573,544)</u>	<u>8,550</u>
	<u>1,671,790</u>	<u>9,438,352</u>	<u>(9,368,918)</u>	<u>1,741,224</u>

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18. Commitments under operating leases

At 31 March 2012, 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:

	2012 HK\$	2011 HK\$
Within 1 year	1,072,740	1,086,412
After 1 year but within 5 years	217,538	627,450
	<u>1,290,278</u>	<u>1,713,862</u>

19. Material related party transactions

Remuneration of key management personnel, including amounts paid to the association's committee members as disclosed in note 7 to the financial statements, is as follows:

	2012 HK\$	2011 HK\$
Short-term employee benefits	--	--
Post-employment benefits	--	--
	<u>--</u>	<u>--</u>

20. 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.

21. Comparative figures

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