

TIN YAN CHARITY ORGANIZATION
天恩愛心義工隊
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2012
(EXPRESSED IN HONG KONG DOLLARS)

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TIN YAN CHARITY ORGANIZATION
天恩愛心義工隊
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2012
(EXPRESSED IN HONG KONG DOLLARS)

The management committee presents this report together with the audited financial statements for the year ended 31st March 2012.

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PLANT AND EQUIPMENT

Movements of plant and equipment for the year are set out in note 7 to the financial statements.

MANAGEMENT COMMITTEE MEMBERS

During the year, the following persons were the management committee members of the Association:

Chan Kuo Ping	
Tan Kai Ming	Resigned on 30 October 2012
Pang Sai Lan	Resigned on 30 September 2012
Edwin Wan Lun	Appointed on 28th January 2012
Lee Shiu Shu	Resigned on 28th January 2012
Kwong Kwai Wu	Appointed on 18th February 2012

In accordance with the article 17 of the constitution of the Association, all management committee members retire at the expiration of the term of two years, and being eligible, offer themselves for re-election.

TIN YAN CHARITY ORGANIZATION
天恩愛心義工隊
REPORT OF THE MANAGEMENT COMMITTEE

The management committee presents the report together with the audited financial statements for the year ended 31st March 2012.

PRINCIPAL ACTIVITY

The Association was engaged principally in the operation of a charity association during the year.

FINANCIAL RESULTS

The results of the association for year ended 31st March 2012 and the state of affairs of the association at that date are set out in the annexed financial statements.

PLANT AND EQUIPMENT

Movements of plant and equipment for the year are set out in note 7 to the financial statements.

MANAGEMENT COMMITTEE MEMBERS

During the year, the following persons were the management committee members of the Association : -

Chau Kam Fung	
Tam Kai Ming	Resigned on 4th October 2012
Fung Sui Lan	Resigned on 3rd September 2012
Kwan Wai Lun	Appointed on 20th January 2012
Lee Miu Shu	Appointed on 20th January 2012
Keung Kwok Wai	Appointed on 13th February 2012

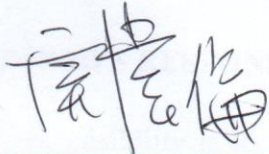
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TIN YAN CHARITY ORGANIZATION
天恩愛心義工隊
REPORT OF THE MANAGEMENT COMMITTEE

AUDITOR

The auditor, Messrs. Dave Kwok & Co., Certified Public Accountants, who retire and, being eligible, offer themselves for re-appointment.

For and on behalf of
The Management Committee



Chairman

Hong Kong, 18 FEB 2014

DAVE KWOK & CO.

Certified Public Accountants

Principal: Dave S. N. Kwok

郭嘯南會計師事務所
中環德輔道中156至164號
通用商業大廈五零一室
會計師：郭嘯南

INDEPENDENT AUDITOR'S REPORT TO THE MANAGEMENT COMMITTEE OF TIN YAN CHARITY ORGANIZATION

天恩愛心義工隊

(Registered in Hong Kong under Societies Ordinance)

We have audited the financial statements of Tin Yan Charity Organization (the 'Association') set out on the annexed pages, which comprise the statements of financial position as at 31st March 2012, and the statement of income and retained surplus, and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT COMMITTEE'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The management committee is responsible for the preparation of financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards for Private Entities issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the sole director 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 and to report our opinion solely to you, as a body, in accordance with our agreed terms of engagement, 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 as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, 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.

DAVE KWOK & CO.

Certified Public Accountants
Principal: Dave S. N. Kwok

郭嘯南會計師事務所
中環德輔道中156至164號
通用商業大廈五零一室
會計師：郭嘯南

**INDEPENDENT AUDITOR'S REPORT
TO THE MANAGEMENT COMMITTEE OF
TIN YAN CHARITY ORGANIZATION**

天恩愛心義工隊

(Registered in Hong Kong under Societies Ordinance)

(continued)

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 2012 and of its surplus and cash flows for the year then ended in accordance with the Hong Kong Financial Reporting Standards for Private Entities.

DAVE KWOK & CO.



Certified Public Accountants

Hong Kong,

18 FEB 2014

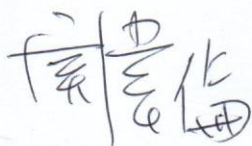


TIN YAN CHARITY ORGANIZATION
 天恩愛心義工隊
STATEMENTS OF FINANCIAL POSITION AT 31ST MARCH 2012
 (Expressed in Hong Kong Dollars)

	Note	2012	2011
NON-CURRENT ASSETS			
Plant and equipment	7	11,799.20 -----	2,925 -----
CURRENT ASSETS			
Prepayment and utility deposits		11,700.00	11,631
Cash and bank balance		89,103.80	81,818
		<u>100,803.80</u>	<u>93,449</u>
CURRENT LIABILITIES			
Other payable		10,000.00	55,732
Accrued expenses		36,223.80	19,888
		<u>46,223.80</u>	<u>75,620</u>
NET CURRENT ASSETS		<u>54,580.00</u>	<u>17,829</u>
NET ASSETS		<u>66,379.20</u>	<u>20,754</u>
ACCUMULATED FUND			
Accumulated surplus		<u>66,379.20</u>	<u>20,754</u>

The annexed notes form an integral part of these financial statements.

Approved and authorized for issue by the Management Committee on 18 FEB 2014



Chairman



Treasurer

TIN YAN CHARITY ORGANIZATION
天恩愛心義工隊
STATEMENT OF INCOME AND RETAINED SURPLUS
FOR THE YEAR ENDED 31ST MARCH 2012
(Expressed in Hong Kong Dollars)

	Note	2012	2011
REVENUE	3	749,883.20	595,140
		-----	-----
EXPENDITURE			
Accountancy fee		3,000.00	2,000
Activity expenses		138,081.70	112,332
Advertising expenses		-	12,718
Audit fee		7,000.00	7,000
Bank charges		500.00	250
Charitable donation	6	14,467.10	-
Depreciation		3,205.40	789
Electricity		3,226.53	3,245
Entertainment		1,960.00	9,516
Licence fee		5,840.00	3,940
Insurance		4,600.00	2,000
Local travelling		12,580.00	11,417
Mandatory provident fund contribution		11,478.05	7,200
Printing and stationery		27,307.50	16,106
Purchases (for charity sales)		93,746.72	76,286
Rent		68,086.10	60,000
Repairs and maintenance		900.00	4,600
Salaries and allowances		252,550.00	170,400
Sponsorship expenses		6,313.00	-
Staff messing		9,475.20	14,056
Sundry expenses		2,911.00	2,327
Telephone and internet charges		26,173.10	16,621
Transportation		10,856.00	12,197
		-----	-----
		704,257.40	545,000
		-----	-----
Surplus before taxation	4	45,625.80	50,140
Taxation	5	-	-
		-----	-----
Surplus for the year		45,625.80	50,140
Retained surplus/(Accumulated deficit) at start of year		20,753.40	(29,386)
		-----	-----
Retained surplus at end of year		66,379.20	20,754
		=====	=====

TIN YAN CHARITY ORGANIZATION

天恩愛心義工隊

STATEMENT OF CASH FLOWS

(Expressed in Hong Kong Dollars)

	2012	2011
Operating activities		
Surplus before taxation	45,625.80	50,140
Adjustments for:		
Depreciation	3,205.40	789
Operating cash flows before movements in working capital	<u>48,831.20</u>	<u>50,929</u>
Increase in prepayment and utility deposits	(69.00)	(631)
Decrease in other payable	(45,732.00)	(4,322)
Increase in accrued expenses	16,335.80	7,888
Net cash generated from operating activities	<u>19,366.00</u>	<u>53,864</u>
Investing activities		
Acquisition of furniture and equipment	(12,080.00)	(2,887)
Net cash used in investing activities	<u>(12,080.00)</u>	<u>(2,887)</u>
Net increase in cash and cash equivalents	7,286.00	50,977
Cash and cash equivalents at beginning of year	81,817.80	30,841
Cash and cash equivalents at the end of year	<u>89,103.80</u>	<u>81,818</u>
Analysis of the balance of cash and cash equivalents		
Cash and bank balance	<u>89,103.80</u>	<u>81,818</u>

TIN YAN CHARITY ORGANIZATION
天恩愛心義工隊
NOTES TO THE FINANCIAL STATEMENTS
(Expressed in Hong Kong Dollars)

1 GENERAL INFORMATION

Tin Yan Charity Organization (the 'Association') is registered under the Societies Ordinance. The address of the Association is Flat B, 8/F., Keader Centre, 129-149 On Lok Road, Yuen Long, New Territories, Hong Kong. The principal activity of the Association was engaged principally in the operation of a charity association

The financial statements are presented in Hong Kong dollars, which is also the functional currency of the association.

2 SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation of the financial statements

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.

(b) Revenue recognition

Revenue is recognized when it is probable that the economic benefits will flow to the Charitable Fund and when the revenue can be measured reliably.

- (i) Charity sales recognized when the right to receive payment is established.
- (ii) Sponsorship, activities, donation, membership and lottery income are recognized on actual receipt and according to the terms of sponsorship, if any.

(c) Retirement benefits schemes

The association operates a defined contribution retirement benefits scheme ("the Scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for all those employees who are eligible to participate in the Scheme. Contributions are made based on a percentage of the employees' basic salaries and allowances and charges to the income statement as they became payable in accordance with the rules of the Scheme. The assets of the Scheme are held separately from those of the association in an independent administered fund.

TIN YAN CHARITY ORGANIZATION
天恩愛心義工隊
NOTES TO THE FINANCIAL STATEMENTS
(Expressed in Hong Kong Dollars)

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Plant and equipment

Plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

The depreciable amount of an item of plant and equipment is allocated on a systematic basis over its estimated useful life using the straight line method. The principal annual rates used for depreciation are as follows :-

Furniture and equipment	20%
-------------------------	-----

The gain or loss arising on the disposal and retirement of plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the income statement.

(e) Impairment of assets

An assessment is made at each balance sheet date to determine whether there is any indication of impairment or reversal of previous impairment, including items of property, plant and equipment, intangible assets and long-term investments. In the event that an asset's carrying amount exceeds its recoverable amount, the carrying amount is reduced to recoverable amount and an impairment loss is recognized in the income statement. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount, however not to an amount higher than the carrying amount that would have been determined (net of amortization or depreciation), had no impairment losses been recognized for the asset in prior years.

(f) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, having been within three months of maturity at acquisition. For the purpose of the statement of cash flows, bank overdrafts which are repayable on demand and form an integral part of the association's cash management are also included as a component of cash and cash equivalents.

(g) Operating lease

Rentals payable under operating lease are charged to the statement of income on straight lines basis over the respective lease term.

TIN YAN CHARITY ORGANIZATION
天恩愛心義工隊
NOTES TO THE FINANCIAL STATEMENTS
(Expressed in Hong Kong Dollars)

3 REVENUE

	2012	2011
An analysis of the association's revenue is as follows:		
Revenue		
Charity sales	459,994.30	308,807
Sponsorship income	15,250.00	21,129
Activities income	145,423.90	62,086
Donation received	121,655.00	98,268
Membership received	7,560.00	4,850
Lottery income	-	100,000
	749,883.20	595,140

4 SURPLUS BEFORE TAXATION

	2012	2011
Surplus before taxation is arrived at :		
after charging :		
Auditor's remuneration	7,000.00	7,000
Depreciation	3,205.40	789
Committee members' remuneration		
Fees	-	-
Other emoluments (Note)	36,000.00	30,000
Staff costs		
Salaries and allowances	216,550.00	140,400
Mandatory provident fund contribution	11,478.05	7,200
Staff messing	9,475.20	14,056
	749,883.20	595,140

Note: Other emoluments represent reimbursement of travelling and meal expenses of Ms. Fung Sui Lam, Secretary, in the course of her carrying out of charity duties of the association during the year.

5 TAXATION

No provision has been made for Hong Kong profits tax as the Association is exempted under Section 88 of Hong Kong Inland Revenue Department Ordinance.

TIN YAN CHARITY ORGANIZATION
 天恩愛心義工隊
NOTES TO THE FINANCIAL STATEMENTS
 (Expressed in Hong Kong Dollars)

6 CHARITABLE DONATIONS	2012	2011
Hong Kong Red Cross	14,467.10	-
	<u>=====</u>	<u>=====</u>

7 PLANT AND EQUIPMENT

	Furniture and equipment
At cost	
As at 1. 4. 2011	3,944.00
Additions	12,080.00
As at 31. 3. 2012	<u>16,024.00</u>

Aggregate depreciation	
As at 1. 4. 2011	1,019.40
Charge for the year	3,205.40
As at 31. 3. 2012	<u>4,224.80</u>

Net carrying amount	
As at 31. 3. 2012	<u>11,799.20</u>
As at 31. 3. 2011	<u>2,925</u>
	=====

8 COMMITMENTS UNDER OPERATING LEASES

At the year-end, the Association had outstanding commitments under non-cancellable operating leases that fall due as follows:

	2012	2011
Within one year	58,300.00	-
After one year but within five years	-	-
	<u>58,300.00</u>	<u>-</u>
	<u>=====</u>	<u>=====</u>