

**ADOPTIVE FAMILIES OF HONG KONG**

**STEERING COMMITTEE'S REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31ST MARCH 2015**

## ADOPTIVE FAMILIES OF HONG KONG

(established in Hong Kong as a Registered Society under the Societies Ordinance (Cap. 151))

### REPORT OF THE STEERING COMMITTEE

The steering committee members submit their report together with the audited financial statements for the year ended 31st March 2015.

### PRINCIPAL ACTIVITIES

The principal activities of the Society are to connect, support and celebrate adoptive families in Hong Kong and to help educate the greater community about adoption.

### RESULTS

The results of the Society for the year ended 31st March 2015 are set out in the statement of comprehensive income on page 5 of the financial statements.

### STEERING COMMITTEE MEMBERS

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

Ms. Louise Garnaut	(Chairman)
Ms. Maria Wong	(Honorary Treasurer)
Ms. Deborah Holcombe	(Steering Committee Member)
Dr. Erica Liu Wollin	(Steering Committee Member)
Ms. Becky Holdaway	(Steering Committee Member)

There being no provision in the Society's Articles of Association for retirement by rotation, all steering committee members continue in office.

### STEERING COMMITTEE MEMBERS' INTERESTS

No contracts of significance in relation to the Society's business to which the Society was a party and in which a steering committee member of the Society had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

At no time during the year was the Society a party to any arrangements to enable the steering committee members of the Society to acquire benefits by means of admission of membership in the Society or any other body corporate.

## MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Society were entered into or existed during the year.

## AUDITORS

The financial statements have been audited by Vincent Kwok & Co. who retire and, being eligible, offer themselves for re-appointment.

On behalf of the Steering Committee

A handwritten signature in black ink, appearing to read "Louise Garnaut". The signature is written in a cursive, flowing style.

Ms. Louise Garnaut  
Chairman

HONG KONG, 10th September 2016



VINCENT KWOK & CO. *Certified Public Accountants*

郭志榮會計師事務所

Units A-C, 25/F., Seabright Plaza,  
No. 9-23 Shell Street, North Point, Hong Kong.  
Tel: 2553 3828 Fax: 2553 9128  
E-mail: [accounting@sunwell.hk](mailto:accounting@sunwell.hk)

郭志榮會計師事務所  
香港北角蠟殼街九至二十三號  
秀明中心二十五樓A至C室  
電話：二五五三一三八二八  
傳真：二五五三一九一二八

INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF  
ADOPTIVE FAMILIES OF HONG KONG  
(established in Hong Kong as a Registered Society under the Societies Ordinance (Cap. 151))

We have audited the financial statements of Adoptive Families of Hong Kong on pages 5 to 11 which comprise the statement of financial position as at 31st March 2015, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

**Steering committee members' responsibility for the financial statements**

The steering committee members are responsible for the preparation and the true and fair presentation of these financial statements in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the Hong Kong Companies Ordinance. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

**Auditors' responsibility**

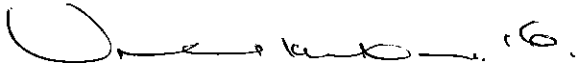
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and 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 auditors' 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 auditors consider internal control relevant to the entity's preparation and true and fair presentation of the financial statements 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 steering 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.

## Opinion

In our opinion the financial statements give a true and fair view of the state of the Society's affairs as at 31st March 2015 and of its surplus and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the Hong Kong Companies Ordinance.



Vincent Kwok & Co.

Certified Public Accountants

HONG KONG, 10th September 2016

ADOPTIVE FAMILIES OF HONG KONG

(established in Hong Kong as a Registered Society under the Societies Ordinance (Cap. 151))

STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31ST MARCH 2015


	Note	2015 HK\$	2014 HK\$
REVENUE	4	159,661	210,279
COST OF GOODS SOLD		-	(1,615)
GROSS SURPLUS		<u>159,661</u>	<u>208,664</u>
OTHER REVENUE	4	-	1,910
ADMINISTRATIVE AND OTHER OPERATING EXPENSES		(151,883)	(130,710)
		<u>(151,883)</u>	<u>(128,800)</u>
SURPLUS FOR THE YEAR	5	7,778	79,864
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u><u>7,778</u></u>	<u><u>79,864</u></u>

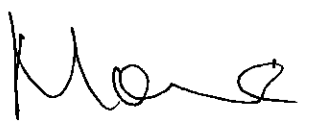
ADOPTIVE FAMILIES OF HONG KONG  
 (established in Hong Kong as a Registered Society under the Societies Ordinance (Cap. 151))

STATEMENT OF FINANCIAL POSITION  
 AS AT 31ST MARCH 2015

	Note	2015 HK\$	2014 HK\$
<b>CURRENT ASSETS</b>			
Other receivable		42,632	30,669
Bank balances and cash		302,625	281,918
		<u>345,257</u>	<u>312,587</u>
<b>CURRENT LIABILITIES</b>			
Accruals		<u>27,892</u>	<u>3,000</u>
<b>NET CURRENT ASSETS</b>		<u>317,365</u>	<u>309,587</u>
Financed by:			
OPERATION FUNDS	8	40,756	40,756
RETAINED SURPLUS		<u>276,609</u>	<u>268,831</u>
<b>TOTAL FUNDS</b>		<u>317,365</u>	<u>309,587</u>

Approved by the steering committee on 10th September 2016.

  
 Louise Garnaut  
 Chairman

  
 Maria Wong  
 Honorary Treasurer

ADOPTIVE FAMILIES OF HONG KONG  
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STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31ST MARCH 2015

	Operation funds HK\$	Retained surplus HK\$	Total HK\$
At 1st April 2013	40,756	188,967	229,723
Surplus for the year	-	79,864	79,864
At 31st March 2014	40,756	268,831	309,587
Surplus for the year	-	7,778	7,778
At 31st March 2015	40,756	276,609	317,365



ADOPTIVE FAMILIES OF HONG KONG

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STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31ST MARCH 2015

	2015 HK\$	2014 HK\$
OPERATING ACTIVITIES		
Surplus for the year and operating surplus before working capital changes	7,778	79,864
Decrease in accounts receivable	-	800
Increase in other receivable	(11,963)	(17,579)
Decrease in prepayment	-	800
Decrease in stocks	-	1,360
Increase/ (decrease) in accruals	24,892	(12,035)
	-----	-----
NET CASH INFLOW FROM OPERATING ACTIVITIES AND INCREASE IN BANK BALANCES AND CASH	20,707	53,210
BANK BALANCES AND CASH AT 1ST APRIL 2014/ 2013	281,918	228,708
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BANK BALANCES AND CASH AT 31ST MARCH 2015/ 2014	302,625	281,918
	=====	=====

## ADOPTIVE FAMILIES OF HONG KONG

(established in Hong Kong as a Registered Society under the Societies Ordinance (Cap. 151))

### NOTES TO THE FINANCIAL STATEMENTS

#### 1 GENERAL

Adoptive Families of Hong Kong was established in 1993 as a not-for-profit Society under the Societies Ordinance (Cap. 151). Effective from 3rd March 2011, the Society registered as a charitable institution and was granted tax-exempt charitable status under Section 88 of the Inland Revenue Ordinance.

The Society's registered office is located at G P O Box 8896, Hong Kong.

The principal activities of the Society are to connect, support and celebrate adoptive families in Hong Kong and to help educate the greater community about adoption.

#### 2 PRINCIPAL ACCOUNTING POLICIES

##### (a) Basis of preparation

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards, which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards, Interpretations issued by the Hong Kong Institute of Certified Public Accountants, and accounting principles generally accepted in Hong Kong.

##### (b) Revenues recognition

Donation income is recognised on a cash basis.

Sales of educational products are recognised when the goods are delivered to customers and title has passed.

Membership fee income is recognised on an accrual basis.

Sundry income is recognised when received.

##### (c) Stocks

Stocks are stated at the lower of cost and net realisable value. Cost, calculated on the first in first out basis, represents purchase cost of the finished goods. Net realisable value is determined on the basis of anticipated sales proceeds in the ordinary course of business subsequent to the end of reporting period based on prevailing market conditions.

### 3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The Society's management makes assumptions, estimates and judgements in the process of applying the Society's accounting policies that affect the assets, liabilities, income and expenses in the financial statements prepared in accordance with HKFRSs. The assumptions, estimates and judgements are based on historical experience and other factors that are believed to be reasonable under the circumstances. While the management reviews their judgements, estimates and assumptions continuously, the actual results will seldom equal to the estimates.

### 4 REVENUE AND OTHER REVENUE

The principal activities of the Society are to connect, support and celebrate adoptive families in Hong Kong and to help educate the greater community about adoption. Revenues recognised during the year are as follows:

	2015 HK\$	2014 HK\$
Revenue		
Donations	27,347	26,264
Membership fee income	44,575	45,300
Programs and events income	87,739	134,130
Sales of educational products	-	4,585
	<u>159,661</u>	<u>210,279</u>
Other revenue		
Sundry income	-	1,910
	<u>-</u>	<u>1,910</u>
Total revenues	<u>159,661</u>	<u>212,189</u>

### 5 SURPLUS FOR THE YEAR

	2015 HK\$	2014 HK\$
Surplus for the year is stated after charging the following:		
Auditors' remuneration	3,000	3,000
Cost of goods sold	-	1,615
	<u>3,000</u>	<u>1,615</u>

6 TAXATION

Hong Kong profits tax has not been provided as the Society is exempted from Hong Kong profits tax under section 88 of the Hong Kong Inland Revenue Ordinance.

7 STEERING COMMITTEE MEMBERS' EMOLUMENTS

The steering committee members received no fees or other emoluments for their services rendered to the Society during the year (2014: Nil).

8 OPERATION FUNDS

	2015 HK\$	2014 HK\$
Balance at 31st March 2015/ 2014	40,756 =====	40,756 =====

The operation funds were advanced from the members at the beginning of establishment of the Society. If the Society was to dissolve, it would be required to distribute any remaining assets to a similar charity.

## ADOPTIVE FAMILIES OF HONG KONG

(established in Hong Kong as a Registered Society under the Societies Ordinance (Cap. 151))

DETAILED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31ST MARCH 2015

(For management purposes only)

	2015 HK\$	2014 HK\$
Revenue		
Donations	27,347	26,264
Membership fee income	44,575	45,300
Programs and events income	87,739	134,130
Sales of educational products	-	4,585
	<u>159,661</u>	<u>210,279</u>
Cost of goods sold		
Opening stocks	-	1,360
Purchases	-	255
Less: Closing stocks	-	-
	<u>-</u>	<u>1,615</u>
Gross surplus	<u>159,661</u>	<u>208,664</u>
Other revenue		
Sundry income	-	1,910
	<u>-</u>	<u>1,910</u>
	<u>159,661</u>	<u>210,574</u>
Expenses		
Administrative and other operating expenses		
Advertising and promotion	3,360	7,003
Auditors' remuneration	3,000	3,000
Bank charges	100	455
Events expenses	38,744	75,552
Insurance	800	-
Legal and professional fees	89,320	23,800
Paypal charges	4,924	6,500
Subscription and license fees	11,635	10,983
Sundry expenses	-	3,038
Travelling	-	379
	<u>151,883</u>	<u>130,710</u>
Surplus for the year	<u>7,778</u>	<u>79,864</u>