

IMPACTHK LIMITED
同路舍有限公司

(Limited by guarantee)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2021



陳黎彭會計師事務所

CHAN, LAI, PANG & CO.

Certified Public Accountants

IMPACTHK LIMITED
同路舍有限公司

DIRECTORS' REPORT

The directors present the annual report and the audited financial statements for the year ended 31st March, 2021.

PRINCIPAL ACTIVITY

ImpactHK Limited (the "Association") is a company incorporated and domiciled in Hong Kong and its registered office at G/F, Cherry Mansion, 29 Oak Street, Tai Kok Tsui, Kowloon. The principal activity of the Association is to help the underprivileged people for the benefit of the Hong Kong Community.

RESULTS

The result of the Association for the year ended 31st March, 2021 and the state of the Association's affairs as at that date are set out in the financial statements on pages 6 to 19.

DIRECTORS

The directors during the year and up to the date of this report were:

Appel, Terri Crystal-Gibbs
Goenka, Geet
Grenham, Nicholas
Seymour-Jones, Elizabeth Ann
Sujanani, Sunil N.
Syngkon, Clifton Andrew Jones
Wong, Peter Wai Heng

The existing directors, who retired in accordance with Article 15 of the Association's Article of Association, being eligible and offering themselves for re-election.

MANAGEMENT CONTRACTS

The Association did not enter into any contract, other than the contracts of service with the directors or any person engaged in the full-time employment of the Association, whereby any individual, firm or body corporate undertakes the management and administration of the whole, or any substantial part of any operation of the Association.

PERMITTED INDEMNITY PROVISIONS

A permitted indemnity provision (as defined in Section 469 of the Hong Kong Companies Ordinance) for the benefit of the directors of the Association is currently in force and was in force throughout this year.

DIRECTORS' INTERESTS AND CONTRACTS OF SIGNIFICANCE

No contract of significance to which the Association was a party, and in which a director of the Association had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

IMPACTHK LIMITED
同路舍有限公司

DIRECTORS' REPORT – cont'd

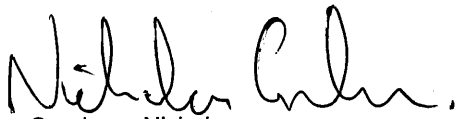
BUSINESS REVIEW

The Association falls within the reporting exemption and therefore it is not required to prepare business review.

AUDITORS

Chan, Lai, Pang & Co., Certified Public Accountants retire and, being eligible, offer themselves for re-appointment.

By order of the board



Grenham, Nicholas
Director

Hong Kong 31 DEC 2021



陳黎彭會計師事務所

CHAN, LAI, PANG & CO.

Certified Public Accountants

香港銅鑼灣謝斐道四八二號兆安廣場十八樓
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

IMPACTHK LIMITED

同路舍有限公司

(Incorporated in Hong Kong and limited by guarantee)

Opinion

We have audited the financial statements of ImpactHK Limited (the "Association") set out on pages 6 to 19, which comprise the statement of financial position as at 31st March, 2021, and the statement of income and expenditure and accumulated fund and the 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 31st March, 2021, 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.

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") 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 directors are responsible for the other information. The other information comprises the information included in the director's report 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.

Responsibilities of Directors and Those Charged with Governance for the Financial Statements

The directors 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 directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



陳黎彭會計師事務所

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

IMPACTHK LIMITED

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(Incorporated in Hong Kong and limited by guarantee)

- cont'd -

In preparing the financial statements, the directors 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 directors 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 purposes. 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 HKSA's 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 HKSA's, 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 directors.
- Conclude on the appropriateness of the directors' 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.



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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

IMPACTHK LIMITED

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(Incorporated in Hong Kong and limited by guarantee)

- cont'd -

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.

Chan, Lai, Pang & Co.

Certified Public Accountants

Hong Kong 31 DEC 2021

IMPACTHK LIMITED
同路舍有限公司

STATEMENT OF INCOME AND EXPENDITURE AND ACCUMULATED FUND
FOR THE YEAR ENDED 31ST MARCH, 2021

	31/3/2021	31/3/2020
	HK\$	HK\$
INCOME		
General donations	17,871,156	4,936,431
Income from restricted funds – Note (17)	7,772,735	2,291,885
Retail store income	720,844	-
	<u>26,364,735</u>	<u>7,228,316</u>
Interest income	204	2,836
Other income	330,430	850
	<u>26,695,369</u>	<u>7,232,002</u>
LESS : EXPENDITURE		
<u>Housing</u>		
Hostel and hotel expenses	5,031,913	647,025
Apartment costs	389,366	519,044
Co-living apartment costs	536,391	-
Deposit and rental support	191,688	15,116
<u>Foods</u>		
Foods for clients	1,474,080	559,089
Foods for kindness walks	222,371	174,125
<u>Employment</u>		
Allowances for clients	134,262	100
Allowances for community helpers	136,928	656,440
Staff costs for assistants	927,811	61,100
Mandatory provident fund contribution for assistants	41,275	-
<u>Core services:</u>		
Kindness walks:-		
Staff costs	446,201	-
Mandatory provident fund contribution	15,199	-
Supplies to clients	1,742	10,000
Delivery costs	62,977	900
Counselling services:-		
Staff costs	673,026	215,467
Mandatory provident fund contribution	29,903	10,173
Medical services:-		
Staff costs	146,926	-
Mandatory provident fund contribution	6,631	-
Allowances for clients	17,329	42,255
Supplies to clients	10,021	305
Training and development:-		
Retreat for clients	21,583	-
Training for clients	27,944	1,478
Education services:-		
Staff costs	329,989	-
Mandatory provident fund contribution	10,231	-
Transportation	3,378	-
INCOME LESS EXPENDITURE CARRIED FORWARD	<u>15,806,204</u>	<u>4,319,385</u>

IMPACTHK LIMITED
同路舍有限公司

STATEMENT OF INCOME AND EXPENDITURE AND ACCUMULATED FUND

FOR THE YEAR ENDED 31ST MARCH, 2021

	31/3/2021	31/3/2020
	HK\$	HK\$
INCOME LESS EXPENDITURE BROUGHT FORWARD	15,806,204	4,319,385
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LESS : EXPENDITURE – cont'd		
Guestroom:-		
Staff costs	472,921	314,000
Mandatory provident fund contribution	17,285	18,933
Rent and utilities expenses	341,552	341,749
Insurance	3,038	2,001
Cleaning	45,063	21,952
Communication expenses	20,139	20,994
Delivery costs	23,633	6,115
Depreciation on:-		
Furniture, fixtures and equipment	1,942	40,082
Leasehold improvement	51,516	68,689
Retail store:-		
Staff costs	500,179	18,000
Mandatory provident fund contribution	18,164	---
Cost of goods sold	125,528	---
Pay what you wish program	36,691	---
Bank and services charges	8,062	---
Rent and utilities expenses	337,279	43,160
Insurance	890	---
Cleaning	11,749	216
Communication expenses	7,844	516
Delivery costs	42,007	2,910
Shop supplies costs	47,747	58,396
Depreciation on:-		
Furniture, fixtures and equipment	18,418	35,385
Leasehold improvement	117,306	58,092
Sporting centre expenses:-		
Staff costs	917,334	367,381
Mandatory provident fund contribution	43,498	16,800
Rental and utilities expenses	271,249	261,286
Property agency fee	35,000	---
Insurance	242	---
Cleaning	34,286	18,630
Communication expenses	6,415	3,285
Depreciation on:-		
Furniture, fixtures and equipment	4,928	24,643
Leasehold improvement	76,527	38,263
Other services:-		
Supplies to clients	20,887	17,127
IT related expenses	20,193	---
Transportation	33,765	43,843
Miscellaneous	19,905	8,377
INCOME LESS EXPENDITURE CARRIED FORWARD	12,073,022	2,468,560
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IMPACTHK LIMITED
同路舍有限公司

STATEMENT OF INCOME AND EXPENDITURE AND ACCUMULATED FUND
FOR THE YEAR ENDED 31ST MARCH, 2021

	31/3/2021	31/3/2020
	HK\$	HK\$
INCOME LESS EXPENDITURE BROUGHT FORWARD	12,073,022	2,468,560
LESS : EXPENDITURE – cont'd		
Administrative expenses:-		
Advertisement expenses	72,983	57,854
Audit fee	45,000	15,000
Bank and service charges	171,105	13,511
Exchange difference	5,319	315
Fundraising expenses	46,979	58,427
Insurance	19,981	- - -
Non-capital furniture & equipment	94,732	- - -
Mandatory provident fund contribution	45,732	22,512
Postage and courier	1,850	417
Property agency fee	28,000	- - -
Printing and stationery	45,900	31,344
Professional fee	120,850	211,000
Rent and utilities expenses	83,010	- - -
Repair and maintenance	31,817	27,018
Staff costs	1,191,272	971,510
Staff training and development	42,762	4,465
Cleaning	619	10,736
Sundry expenses	16,392	1,924
Transportation	28,480	58,554
Communication expenses	4,132	490
IT related expenses	31,228	1,627
Meeting and events	19,537	91,243
SURPLUS FOR THE YEAR	9,925,342	890,613
ACCUMULATED FUND AT THE BEGINNING OF THE YEAR	4,149,925	3,259,312
ACCUMULATED FUND AT THE END OF THE YEAR	14,075,267	4,149,925

The notes on pages 11 to 19 form part of these financial statements.

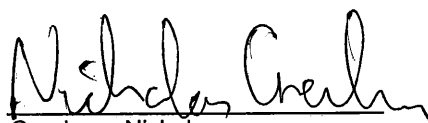
IMPACTHK LIMITED
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STATEMENT OF FINANCIAL POSITION

AS AT 31st MARCH, 2021

	Note	2021 HK\$	2020 HK\$
NON-CURRENT ASSETS			
Property, plant and equipment	6	157,762	403,475
CURRENT ASSETS			
Inventories	7	153,012	---
Deposits, prepayments and other receivables		993,977	1,062,459
Grant receivables		95,520	---
Cash and bank balances	8	16,924,555	4,063,852
		18,167,064	5,126,311
CURRENT LIABILITIES			
Accruals		(501,455)	(62,625)
Other creditors		(54,167)	---
Funds from Kadoorie Charitable Foundation	9	(48,920)	(172,692)
Funds from Carolina Gutterres Memorial Fund	10	---	(302,480)
Funds from Grosvenor Limited	11	---	(417,664)
Funds from Vera Ruttonjee Desai Charitable Fund	12	---	(182,400)
Funds from the Hong Kong Club Foundation Limited	13	(20,724)	(242,000)
Funds from MWYO Limited	14	(44,375)	---
Funds from Sir Horace Kadoorie Int'l Foundation	15	(221,508)	---
Funds from Swire Group Charitable Trust	16	(1,220,943)	---
Funds from one-off projects		(2,137,467)	---
		(4,249,559)	(1,379,861)
NET CURRENT ASSETS		13,917,505	3,746,450
NET ASSETS		14,075,267	4,149,925
RESERVES			
Accumulated fund		14,075,267	4,149,925

Approved by:-



Grenham, Nicholas
Director



Sujanani, Sunil N.
Director

The notes on pages 11 to 19 form part of these financial statements.

IMPACTHK LIMITED
同路舍有限公司

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31ST MARCH, 2021

	Note	31/3/2021 HK\$	31/3/2020 HK\$
Operating activities			
Surplus for the year		9,925,342	890,613
Adjustments for:-			
Depreciation charges		270,637	265,154
Interest income		(204)	(2,836)
Changes in operating assets and liabilities:-			
(Increase) in inventories		(153,012)	
Decrease/ (Increase) in deposits, prepayments and other receivables		68,482	(769,259)
(Increase) in grant receivables		(95,520)	
Increase/ (Decrease) in other creditors		54,167	(11,123)
Increase in accruals		438,830	1,202
Cash generated from operating activities		10,508,722	373,751
Interest received		204	2,836
Net cash generated from operating activities		10,508,926	376,587
Investing activities			
Payment to acquire property, plant and equipment		(24,924)	(483,671)
Net cash (used in) investing activities		(24,924)	(483,671)
Financing activities			
Funds from/ (used by) Kadoorie Charitable Foundation		(123,772)	(531,458)
Funds (used by) Carolina Gutterres Memorial Fund		(302,480)	(95,520)
Funds (used by) Grosvenor Limited		(417,664)	417,664
Funds (used by)/ from Vera Ruttonjee Desai Charitable Fund		(182,400)	182,400
Funds (used by)/ from the Hong Kong Club Foundation Limited		(221,276)	242,000
Funds from MWYO Limited		44,375	- - -
Funds from Sir Horace Kadoorie Int'l Foundation		221,508	- - -
Funds from Swire Group Charitable Trust		1,220,943	- - -
Funds from one-off projects		2,137,467	- - -
Net cash generated from financing activities		2,376,701	215,086
Net increase in cash and cash equivalents		12,860,703	108,002
Cash and cash equivalents at the beginning of the year	8	4,063,852	3,955,850
Cash and cash equivalents at the end of the year	8	16,924,555	4,063,852

The notes on pages 11 to 19 form part of these financial statements.

ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2021

(1) REPORTING ENTITY

ImpactHK Limited (the "Association") is a company incorporated and domiciled in Hong Kong and has its registered office at G/F, Cherry Mansion, 29 Oak Street, Tai Kok Tsui, Kowloon. The principal activity of the Association is to help the underprivileged people for the benefit of the Hong Kong Community.

The liability of the Association members is limited by guarantee and the amount to be contributed by each member in the event of winding up is limited to HK\$100.

(2) BASIS OF PREPARATION AND 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 and presented in Hong Kong Dollars (HK\$).

(a) Cash and cash equivalents

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

(b) Property, plant and equipment

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

The 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 Company 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 useful lives are used for the depreciation of property, plant and equipment:

Furniture, fixtures and equipment	- 5 years	(2020: 3 years)
Leasehold improvement	- over lease term	(2020: 3 years)

ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2021

(b) Property, plant and equipment – cont'd

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) Impairment of assets

At each reporting date, property, plant and equipment and intangible assets 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.

(d) Inventories

Inventory are stated at the lower of cost (using a first-in-first-out basis) and net realisable value. In arriving at net realisable value an allowance has been made for deterioration and obsolescence.

(e) 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 assets 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 balance sheet 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 profits 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.

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

(f) Revenue recognition

Revenue is recognised when it is probable that the economic benefits thereof will flow to the Association and when the revenue can be measured reliably. Donations are recognised as revenue upon receipt or when there is reasonable assurance that the Association will comply with the conditions attaching with it and that the donations will be received.

ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2021

(2) BASIS OF PREPARATION AND ACCOUNTING POLICIES - cont'd

(g) Related parties

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

- (I) A person or a close member of that person's family is related to a reporting entity if that person:
 - (i) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity;
 - (ii) has control or joint control over the reporting entity; or
 - (iii) has significant influence over the reporting entity.
- (II) An entity is related to a reporting entity if any of the following conditions applies:
 - (i) the entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) both entities are joint ventures of the same third entity.
 - (iv) one 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 reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
 - (vi) the entity is controlled or jointly controlled by a person identified in (I).
 - (vii) a entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.
 - (viii) a person identified in (I)(ii) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

(3) KEY SOURCES OF ESTIMATION UNCERTAINTY

The Association's management makes assumptions, estimates and judgements in the process of applying the Association's accounting policies that affect the assets, liabilities, income and expenses in the financial statements prepared in accordance with HKFRS for Private Entities. 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.

There is no significant risk of key assumptions concerning the future and other key sources of estimation at the end of reporting period which will cause an adjustment to carrying amounts of assets and liabilities within the next financial year.

IMPACTHK LIMITED
同路舍有限公司

ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2021

(4) INCOME TAX EXPENSE

The Association is exempt under Section 88 of the Inland Revenue Ordinance from any tax by reason of being a charitable institution.

(5) DIRECTORS' REMUNERATION

Directors' remuneration disclosed pursuant to section 383 of the Companies Ordinance (Cap. 622) and Companies (Disclosure of Information about Benefits of Directors) Regulation (Cap. 622G) for the year is HK\$ Nil (2020 – HK\$ Nil).

(6) PROPERTY, PLANT AND EQUIPMENT

	Furniture, Fixtures and equipment HK\$	Leasehold improvement HK\$	Total HK\$
Cost			
At 1 st April, 2020	317,341	478,122	795,463
Additions	- - -	24,924	24,924
At 31 st March, 2021	317,341	503,046	820,387
Accumulated depreciation			
At 1 st April, 2020	146,753	245,235	391,988
Charges for the year	25,288	245,349	270,637
At 31 st March, 2021	172,041	490,584	662,625
Net carrying amount			
At 31 st March, 2021	145,300	12,462	157,762
At 31 st March, 2020	170,588	232,887	403,475

(7) INVENTORIES

Inventories comprise of stock in value and donated goods.

(8) CASH AND CASH EQUIVALENTS

	As at 31/3/2021	As at 31/3/2020
	HK\$	HK\$
Cash at bank and on hand	16,924,555	4,063,852
Cash and cash equivalents in the statement of financial position and statement of cash flows	16,924,555	4,063,852

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(9) FUNDS FROM KADOORIE CHARITABLE FOUNDATION

	As at 31/3/2021	As at 31/3/2020
	HK\$	HK\$
Balance brought forward	172,692	704,150
Fund disbursed during the year	150,314	523,411
Less: Expenses incurred	<u>(274,086)</u>	<u>(1,054,869)</u>
Balance carried forward	<u>48,920</u>	<u>172,692</u>

Kadoorie Charitable Foundation ("the Foundation") entered into memorandum of understanding with the Association in respect of project for the establishment of a new day centre to expand work with the homeless in Hong Kong (the "Project") in 2019. The Foundation is responsible for providing funding support to the Project and the Association is responsible for overseeing and implementing the Project. During the year, the Association had obtained approval from the Foundation for an extension of the Project to apply the unspent funds for the renovation of the new sport and counselling centre. Any unspent funds at the close of the Project will be returned to the Foundation.

(10) FUNDS FROM CAROLINA GUTTERRES MEMORIAL FUND

	As at 31/3/2021	As at 31/3/2020
	HK\$	HK\$
Balance brought forward	302,480	398,000
Fund disbursed during the year	- - -	382,080
Less: Expenses incurred	<u>(302,480)</u>	<u>(477,600)</u>
Balance carried forward	<u>- - -</u>	<u>302,480</u>

Carolina Gutterres Memorial Fund ("the Fund") entered into an agreement with the Association in respect of project for the operating costs for the Association's Guestroom Day Centre (the "Project") in 2019. The entire sum of donation was used towards the direct costs of the Project and the final payment of grant of HK\$ 95,520 was released to the Association subsequent to the reporting period.

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(11) FUNDS FROM GROSVENOR LIMITED

	As at 31/3/2021	As at 31/3/2020
	HK\$	HK\$
Fund disbursed during the year	417,664	716,000
Less: Expenses incurred	<u>(417,664)</u>	<u>(298,336)</u>
Balance carried forward	<u> - - -</u>	<u>417,664</u>

In the prior year, Grosvenor Limited ("the Company") entered into an agreement with the Association in respect of project for the operating costs for the Association's shop in Yau Ma Tai (the "Project"). The entire sum of donation was used towards the direct costs of the Project.

(12) FUNDS FROM VERA RUTTONJEE DESAI CHARITABLE FUND

	As at 31/3/2021	As at 31/3/2020
	HK\$	HK\$
Balance brought forward	182,400	- - -
Fund disbursed during the year	- - -	518,400
Less: Expenses incurred	<u>(182,400)</u>	<u>(336,000)</u>
Balance carried forward	<u> - - -</u>	<u>182,400</u>

In the prior year, Vera Ruttonjee Desai Charitable Fund ("the Fund") entered into an agreement with the Association in respect of a holistic rehabilitation program for homeless and serving the elderly ("the Project"). The entire sum of donation was used towards the direct costs of the Project.

(13) FUNDS FROM THE HONG KONG CLUB FOUNDATION LIMITED

	As at 31/3/2021	As at 31/3/2020
	HK\$	HK\$
Balance brought forward	242,000	- - -
Fund disbursed during the year	- - -	242,000
Less: Expenses incurred	<u>(221,276)</u>	<u> - - -</u>
Balance carried forward	<u>20,724</u>	<u>242,000</u>

In the prior year, The Hong Kong Club Foundation Limited ("the Company") entered into an agreement with the Association in respect of the "We Care for Homeless Seniors" project ("the Project"). Any unspent funds at the close of the Project will be returned to the Company.

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(14) FUNDS FROM MWYO LIMITED

	As at 31/3/2021	As at 31/3/2020
	HK\$	HK\$
Fund disbursed during the year	- - -	124,500
Less: Adjustment due to extension	<u>44,375</u>	<u>(124,500)</u>
Balance carried forward	<u><u>44,375</u></u>	<u><u>- - -</u></u>

MWYO Limited ("the Company") entered into an agreement with the Association in respect of the "Education for All" project ("the Project") in 2019 and amended the agreement with extension of Project period due to Covid-19 pandemic during the year. Any unspent funds at the close of the Project will be returned to the Company.

(15) FUNDS FROM SIR HORACE KADOORIE INTERNATIONAL FOUNDATION

	As at 31/3/2021	As at 31/3/2020
	HK\$	HK\$
(i) <u>Shelter and Food for 50 Homeless People and Medical Care for 100 Homeless</u>		
Fund disbursed during the year	1,881,986	- - -
Less: Expenses incurred	<u>(1,836,002)</u>	<u>- - -</u>
Balance carried forward	<u><u>45,984</u></u>	<u><u>- - -</u></u>

During the year, Sir Horace Kadoorie International Foundation ("the Foundation") entered into an agreement with the Association in respect of the "Shelter and Food for 50 Homeless People and Medical Care for 100 Homeless" project ("the Project"). Any unspent funds at the close of the Project will be returned to the Foundation.

	As at 31/3/2021	As at 31/3/2020
	HK\$	HK\$
(ii) <u>Housing for the Homeless</u>		
Fund disbursed during the year	810,840	- - -
Less: Expenses incurred	<u>(635,316)</u>	<u>- - -</u>
Balance carried forward	<u><u>175,524</u></u>	<u><u>- - -</u></u>

During the year, Sir Horace Kadoorie International Foundation ("the Foundation") entered into an agreement with the Association in respect of the "Housing for the Homeless" project ("the Project"). Any unspent funds at the close of the Project will be returned to the Foundation.

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(16) FUNDS FROM THE SWIRE GROUP CHARITABLE TRUST

	As at 31/3/2021	As at 31/3/2020
	HK\$	HK\$
Fund disbursed during the year	1,399,600	- - -
Less: Expenses incurred	<u>(178,657)</u>	<u>- - -</u>
Balance carried forward	<u>1,220,943</u>	<u>- - -</u>

During the year, Cannon Trustees Limited, in the capacity of The Swire Group Charitable Trust ("the Trust") entered into an agreement with the Association in respect of the "Community Centre for Homeless" project ("the Project"). Any unspent funds at the close of the Project will be returned to the Trust.

(17) INCOME FROM RESTRICTED FUNDS

	As at 31/3/2021	As at 31/3/2020
	HK\$	HK\$
Kadoorie Charitable Foundation	274,086	- - -
Carolina Gutterres Memorial Fund	398,000	477,600
Grosvenor Limited	417,664	298,336
Vera Ruttonjee Desai Charitable Funds	182,400	336,000
The Hong Kong Club Foundation Limited	221,276	- - -
MWYO Limited	(44,375)	124,500
Sir Horace Kadoorie Int'l Foundation	2,471,318	1,054,869
Swire Group Charitable Trust	178,657	- - -
One-off projects	<u>3,673,709</u>	<u>580</u>
	<u>7,772,735</u>	<u>2,291,885</u>

(18) COMMITMENT UNDER OPERATING LEASES

The Association had the following future minimum lease payments payable under non-cancellable operating leases:

	As at 31/3/2021	As at 31/3/2020
	HK\$	HK\$
Land and buildings		
- Not later than one year	1,831,800	811,350
- Later than one year and not later than five years	<u>2,241,027</u>	<u>756,300</u>

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(19) RELATED PARTY TRANSACTIONS

In addition to the transactions and balances disclosed elsewhere in these financial statements, the Association had the following material related party transactions during the year:-

	As at 31/3/2021 HK\$	As at 31/3/2020 HK\$
Key management personnel's remuneration	702,232	900,000

(20) APPROVAL OF FINANCIAL STATEMENTS

These financial statements were authorized for issue by the Association's board of directors on **31 DEC 2021**