



**ACCA CHARITABLE FOUNDATION LIMITED
REPORTS AND FINANCIAL STATEMENTS
FOR THE PERIOD FROM
1 JANUARY 2011 TO 31 MARCH 2012**

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(EXPRESSED IN HONG KONG DOLLARS)	

Report of the governors

The governors herewith submit their annual report together with the audited financial statements for the period from 1 January 2011 to 31 March 2012.

Principal activity

The principal activity of the company is raising funds for donations to charitable organisations.

Financial results

The results of the company for the period ended 31 March 2012 and the state of its affairs at that date are set out in the financial statements on pages 3 to 11.

Donations

During the period, the company made charitable donations of HK\$1,687,334 (2010: HK\$450,000).

Governors

The governors of the company during the period were as follows :-

Law Mei Yee, May

Choi Yi Tak (Resigned on 28 September 2011)

Chen Li

Wu Tak Lung

Mak Tze Leung (Appointed on 28 September 2011)

In accordance with clause 22 of the company's Articles of Association, all governors retire and, being eligible, offer themselves for re-election at the forthcoming annual general meeting.

Governors' interests

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

At no time during the period was the company a party to any arrangement to enable a governor of the company to acquire benefits by means of acquisition of shares in or debentures of any other body corporate.

Auditor

Tai Kong CPA Limited was first appointed as auditor of the company in 2011 upon retirement of Hopkins CPA Limited. A resolution for the reappointment of Tai Kong CPA Limited as auditor of the company is to be proposed at the forthcoming annual general meeting.



Bernard Wu
Chairman
10 July 2012

Statement of comprehensive income

for the period from 1 January 2011 to 31 March 2012

	Notes	From 1/1/2011 to 31/3/2012 HK\$	Year ended 31/12/2010 HK\$
Income			
Net surplus from the Charity Fun Days	3(a)	1,579,902	-
Rebate donations from affinity credit cards	3(b)	104,227	76,418
Other donations		72,112	78,755
Bank interest income		55	45
		1,756,296	155,218
Expenditure			
Bank charges		(265)	(450)
Charitable donations	4	(1,687,334)	(450,000)
Other expenses		(81,415)	(39,805)
		(1,769,014)	(490,255)
Deficit before taxation	5	(12,718)	(335,037)
Taxation	6	-	-
Total Comprehensive Deficit for the Period / Year		(12,718)	(335,037)


Statement of Changes in Accumulated Fund for the Period from 1 January 2011 to 31 March 2012

	Accumulated fund HK\$
At 1 January 2010	1,136,351
Total comprehensive deficit for the year	(335,037)
At 31 December 2010 and 1 January 2011	801,314
Total comprehensive deficit for the period	(12,718)
At 31 March 2012	788,596

Balance Sheet at 31 March 2012

	At 31/3/2012	At 31/12/2010
	HK\$	HK\$
Current assets		
Deposits and prepayments	-	147,619
Cash and bank balances	788,596	1,352,033
	788,596	1,499,652
Current liability		
Receipts in advance	-	(698,338)
Net assets	788,596	801,314
Financed by :-		
Accumulated fund	788,596	801,314

Approved and authorised for issue by the Board of Governors on 10 July 2012.



May Law
Governor



Erica Chen
Governor

Cash Flow Statement

for the Period from 1 January 2011 to 31 March 2012

	From 1/1/2011 to 31/3/2012 HK\$	Year ended 31/12/2010 HK\$
Cash flows from operating activities		
Deficit before taxation	(12,718)	(335,037)
Adjustments for:		
Bank interest income	(55)	(45)
Operating deficit before changes in working capital	(12,773)	(335,082)
Decrease in donations receivable	-	123,770
Decrease / (increase) in deposits and prepayments	147,619	(108,019)
Decrease in donations payable	-	(399,950)
(Decrease) / increase in receipts in advance	(698,338)	698,338
Decrease in other payables	-	(10,564)
Cash used in operations	(563,492)	(31,507)
Bank interest received	55	45
Net decrease in cash and cash equivalents	(563,437)	(31,462)
Cash and cash equivalents at the beginning of period / year	1,352,033	1,383,495
Cash and cash equivalents at the end of period / year	788,596	1,352,033
Analysis of the balances of cash and cash equivalents		
Cash and bank balances	788,596	1,352,033

Notes to the financial statements

1 January 2011 to 31 March 2012

1. GENERAL INFORMATION

ACCA Charitable Foundation Limited is a company incorporated in Hong Kong limited by guarantee and not having a share capital. The liability of the members is limited to HKD100 per member in the event of the company being wound up, whilst they remain a member, or within one year after they cease to be a member. The company's registered office is located at Room 1901, 19th Floor, World Wide House, 19 Des Voeux Road Central, Hong Kong.

The company is a non-profit making organisation and the principal activity of the company is raising funds for donations to charitable organisations.

During the period, the financial year-end of the company was changed from 31 December to 31 March so as to conform to its related company. The financial statements for the period covered 15 months and the comparative amounts presented in the financial statements are not entirely comparable.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (HKFRSs) issued by the Hong Kong Institute of Certified Public Accountants (HKICPA), accounting principles generally accepted in Hong Kong and the requirements of the Hong Kong Companies Ordinance.

(b) Basis of preparation

The financial statements have been prepared under the historical cost convention.

(c) Changes in accounting policies

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the company:

HKAS 24 (revised 2009)	Related Party Disclosures
HK(IFRIC)-Int 19	Extinguishing Financial Liabilities with Equity Instruments

Improvements to HKFRSs (2010)

HKAS 24 (revised 2009) revises the definition of a related party. As a result, the company re-assessed the definition of related parties and concluded that the revised definition does not have any material impact on the company's related party disclosures in the current and previous periods. HKAS 24 (revised 2009) also introduces modified disclosure requirements for government-related entities. This does not impact the company because the company is not a government-related entity.

"Improvements to HKFRSs (2010)"

introduces a number of amendments to the disclosure requirements in HKFRS 7, Financial Instruments: Disclosures. The disclosures about the company's financial statements have been conformed to the amended disclosure requirements. These amendments do not have any material impact on the classification, recognition and measurements of the amounts recognised in the financial statements in the current and previous periods.

(d) Critical accounting estimates and judgments

The preparation of financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It

Notes to the financial statements

1 January 2011 to 31 March 2012

also requires management to exercise its judgment in the process of applying the accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in the respective notes, if appropriate.

(e) Revenue

Provided it is probable that the economic benefits will flow to the company and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in profit or loss as follows :-

1) Net surplus from the Charity Fun Days

Net surplus from the Charity Fun Day is recognised on an accrual basis upon the completion of the Charity Fun Day.

2) Rebate donation from affinity credit card and other donations

Donation income is recognised when the right to receive donations is established.

3) Interest income

Interest income is recognised on a time proportion basis using the effective interest method.

(f) Donations receivable

Donations receivable is recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment loss. An impairment of donation receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of receivables. The amount of the impairment loss is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the

original effective interest rate. The amount of impairment is recognised in profit or loss.

If in a subsequent period the amount of an impairment loss decreases and the decrease can be linked objectively to an event occurring after the impairment loss was recognised, the impairment loss is reversed through profit or loss. A reversal of an impairment loss shall not result in the asset's carrying amount exceeding that which would have been determined had no impairment loss been recognised in prior years.

(g) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the cash management are also included as a component of cash and cash equivalents for the purpose of the cash flow statement.

(h) Related parties

(ha) A person, or a close member of that person's family, is related to the company if that person:

- (1) has control or joint control over the company;
- (2) has significant influence over the company; or
- (3) is a member of the key management personnel of the company or the company's parent.

(hb) An entity is related to the company if any of the following conditions applies:

- (1) The entity and the company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (2) 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).
- (3) Both entities are joint ventures of the same third party.
- (4) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (5) The entity is a post-employment benefit plan for the benefit of employees of either the company or an entity related to the company.
- (6) The entity is controlled or jointly controlled by a person identified in (ha).
- (7) A person identified in (ha)(1) 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).

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

3. INCOME

(a) Surplus from Charity Fun Days

	From 1/1/2011 to 31/3/2012	Year ended 31/12/2010
	HK\$	HK\$
Income		
Rickshaw race	323,950	-
Donations	294,286	-
Games stalls takings	162,550	-
Sponsorships	1,195,800	-
Subsidies received – note 7(b)	290,000	-
	<hr/> 2,266,586 <hr/>	-
Expenditure		
Advertisement	13,100	-
License fee	2,260	-
Printing and postage	4,395	-
Production fee	591,786	-
Sundry expenses	31,868	-
Transportation	30,200	-
Trophies and medals	13,075	-
	<hr/> 686,684 <hr/>	-
Surplus	1,579,902	-

Note: The 14th and 15th Charity Fun Days were held on 16 January 2011 and 8 January 2012 under the Public Subscription Permit No. 2011/001/1 and 2011/433/1.

(b) Rebate donations from affinity credit cards

Under the agreement of the affinity credit card between Dah Sing Bank Limited and Association of Chartered Certified Accountants ("ACCA") Hong Kong Branch,

Notes to the financial statements

1 January 2011 to 31 March 2012

Dah Sing Bank Limited rebates on a monthly basis from 0.15% to 0.25% on the amount of retail spending by the affinity card holders to the company.

4. CHARITABLE DONATIONS

	From 1/1/2011 to 31/3/2012	Year ended 31/12/2010
	HK\$	HK\$
Caritas Hong Kong	-	45,000
Child Development Matching Fund Limited	20,000	-
Harmony House Limited	180,000	-
Heep Hong Society	70,724	-
Hong Kong PHAB Association	170,000	-
Hong Kong Red Cross	150,000	310,000
Jubilee Ministries Limited	228,000	-
Kely Support Group Limited	250,000	-
Medecins Sans Frontieres (HK) Limited	9,560	-
Pentecostal Church of Hong Kong Choi Wan Neighbourhood Elderly Centre	28,850	-
Senior Citizen Home Safety Association	166,000	90,000
Society for the Welfare of the Autistic Persons	111,000	-
Silence Limited	299,600	-
Standard Chartered Marathon	3,600	-
TREATS	-	5,000
	1,687,334	450,000

5. AUDITOR'S REMUNERATION

The audit of these financial statements was performed on an honorary basis.

6. TAXATION

The company is a charitable organisation within the meaning of Section 88 of the Inland Revenue Ordinance and accordingly is exempted from Hong Kong profits tax.

7. DISCLOSURE OF GOVERNORS' EMOLUMENT AND KEY MANAGEMENT PERSONNEL COMPENSATION AND RELATED PARTY TRANSACTIONS

- (a) No remuneration was paid or made payable to governors or key management personnel during the period (2010: HK\$Nil).
- (b) In addition to (a) above, the company also received subsidies of HK\$290,000 (2010: HK\$Nil) from the Association of Chartered Certified Accountants during the period.

8. CAPITAL MANAGEMENT

The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to carry out its principal activities, i.e. raising funds for donations to charitable organisations. The company's overall strategy remains unchanged from previous year.

The capital structure of the company consists of accumulated fund. In order to maintain or adjust the capital structure, the company may appeal for donations from the general public.

9. MANAGEMENT OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

(a) Credit risk

Credit risk arises mainly from cash at banks and short-term deposits. The credit risk on cash at bank is low as the bank deposits of the company are protected by the Hong Kong Deposit Protection Scheme up to HK\$500,000.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheets.

(b) Interest rate risk

Interest rate risks are risks that fair value or future cash flows of financial instruments will fluctuate because of changes in market interest rates.

The company's interest rate risk arises from the bank balances, denominated in Hong Kong dollar, which carry interest rate at market rates. The management considers that the change in market interest rates would not have a significant impact on the company's deficit and other equity. As such, no sensitivity analysis is presented.

10. HONG KONG FINANCIAL REPORTING STANDARDS ISSUED BUT NOT YET EFFECTIVE FOR THE PERIOD ENDED 31 MARCH 2012

HKFRSs that have been issued but not yet effective for the period include the following HKFRSs which may be relevant to the company's operations and financial statements:

	Effective for accounting periods beginning on or after
HKAS 1 (Revised) Presentation of Financial Statements	1 July 2012
Amendments to HKFRS 7 Financial Instruments – Disclosures – Transfers of Financial Assets	1 July 2011
Amendments to HKAS 32 Offsetting Financial Assets and Financial Liabilities	1 January 2014
Amendments to HKFRS 7 Disclosures – Offsetting Financial Assets and Financial Liabilities	1 January 2013
Amendments to HKFRS 9 Financial Instruments and HKFRS 7 Financial Instruments: Disclosures – Mandatory Effective Date of HKFRS 9 and Transition Disclosures	1 January 2015
HKFRS 9 Financial Instruments	1 January 2015
HKFRS 13 Fair Value Measurement	1 January 2013
Annual Improvements 2009 – 2011 Cycle	1 January 2013
<p>The company is in the process of making an assessment of what the impact of these amendments and new standards is expected to be in the period of initial application.</p>	

Independent auditor's report

TO THE MEMBERS OF ACCA CHARITABLE FOUNDATION LIMITED

(incorporated in Hong Kong as a company limited by guarantee and not having a share capital)

We have audited the financial statements of ACCA Charitable Foundation Limited ("the Company") set out on pages 3 to 11, which comprise the balance sheet as at 31 March 2012, and the statement of comprehensive income, statement of changes in accumulated fund and cash flow statement for the period from 1 January 2011 to 31 March 2012, and a summary of significant accounting policies and other explanatory information.

Governors' responsibility for the financial statements

The governors are responsible for the preparation of financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the Hong Kong Companies Ordinance, and for such internal control as the governors 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 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 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 governors, 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 Company's affairs as at 31 March 2012 and of its deficit and cash flows for the period then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the Hong Kong Companies Ordinance.

A handwritten signature in black ink, appearing to read 'Tai Hay Yuen', written in a cursive style.

Tai Kong CPA Limited

Certified Public Accountants (Practising)

Hong Kong : 10 July 2012

Tai Hay Yuen

Practising Certificate Number : P00694

