

HK SAVING CAT AND DOG ASSOCIATION LIMITED
香港拯救貓狗協會有限公司

(Formerly known as LINDA CAT & DOG HOUSE COMPANY LIMITED)

REPORTS AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

Value Plus CPA LIMITED
惠譽執業會計師有限公司

HK SAVING CAT AND DOG ASSOCIATION LIMITED
香港拯救貓狗協會有限公司
(Formerly known as LINDA CAT & DOG HOUSE COMPANY LIMITED)
FOR THE YEAR ENDED 31 MARCH 2017

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HK SAVING CAT AND DOG ASSOCIATION LIMITED
香港拯救貓狗協會有限公司
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REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

Directors' report

The directors have pleasure in presenting their annual report and the audited financial statements for the year ended 31 March 2017.

Principal activities

The principal activities of the Association during the year is engaged in improving and promoting the welfare and living environment of stray dogs and cats in Hong Kong through sterilization programs, feeding food and treating diseases. Thereby effectively controlling the number of stray dogs and cats, significantly reducing the nuisance caused to the community and making the environment more hygienic and harmonious.

Results and appropriations

The results of the Association for the year ended 31 March 2017 and the state of affairs of the Association as at that date are set out in the financial statements on pages 6 to 11.

Clause 8 of Part A of the Association's Memorandum of Association forbids the distribution of the Association's income and property to the Association's Members.

Property, Plant & Equipment

Movements in property, plant and equipment during the year are set out in note 5 to the financial statements.

Directors

The directors of the Association during the year and up to date of this report were as follows:-

TSE Hiu Mui	謝曉梅
CHAN Chui Ling	陳翠玲

In accordance with Article 20 of the Association's Articles of Association, all the directors shall retire at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

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Permitted indemnity provision

At no time during the financial year were there any permitted indemnity provisions in force for the benefit of one or more directors of the Association.

At the time of approval of this report, there are no permitted indemnity provisions in force for the benefit of one or more directors of the Association.

Equity-linked arrangement

During the financial year, the Association has not entered into any equity-linked agreement.

At the end of the financial year, the Association subsisted of no equity-linked agreement.

Business review

The Association falls within reporting exemption for the financial year. Accordingly, the Association is exempted from preparing a business review.

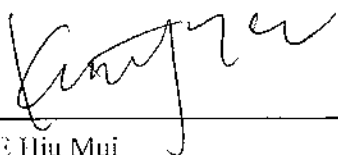
Management contracts

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

Auditors

During the year, Value Plus CPA Limited, Certified Public Accountants was appointed auditor of the Company. A resolution for his re-appointment as auditor of the Association will be submitted to the forthcoming annual general meeting.

On behalf of the Board



TSE Hiu Mui
CHARIMAN
Hong Kong
26 June, 2017



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HK SAVING CAT AND DOG ASSOCIATION LIMITED

香港拯救貓狗協會有限公司

(Formerly known as LINDA CAT & DOG HOUSE COMPANY LIMITED)

(incorporated in Hong Kong with limited liability by guarantee)

Opinion

We have audited the financial statements of HK Saving Cat and Dog Association Limited set out on pages 6 to 11, which comprise the statement of financial position as at 31 March 2017, and the income and expenditure account for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements of the association are prepared, in all material respects, in accordance with Hong Kong Small and Medium-sized Entity Financial Reporting Standard ("SME-FRS") 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 ("HKASs") and with reference to Practice Note 900 (Revised), Audit of Financial Statements Prepared in Accordance with the Small and Medium-sized Entity Financial Reporting Standard issued by the HKICPA. Our responsibilities under those standards are further described in the Auditors' 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.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the directors' report, but does not include the financial statements and our auditors' 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.



Value Plus CPA LIMITED

Business Formation, Accounting & Auditing, Tax Planning & Computation, Business Consulting

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HK SAVING CAT AND DOG ASSOCIATION LIMITED

香港拯救貓狗協會有限公司

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

The directors are responsible for the preparation of the financial statements in accordance with the SME-FRS issued by the HKICPA and the Hong Kong Companies Ordinance, and for such internal control as the director determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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 director either intends 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.

Auditors' 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 auditors' report that includes our opinion. 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.



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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HK SAVING CAT AND DOG ASSOCIATION LIMITED

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Auditors' Responsibilities for the Audit of the Financial Statements (cont'd)

- 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 auditors' 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 auditors' report. However, future events or conditions may cause the association to cease to continue as a going concern.

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.

A handwritten signature in black ink, appearing to be 'D. W. Cheung', written over a rectangular stamp area.

Value Plus CPA Limited

Certified Public Accountants (Practising)

Practising Certificate No.: S343

Cheung Chun Wing

Practising Certificate No.: P03863

Hong Kong

26 June, 2017

HK SAVING CAT AND DOG ASSOCIATION LIMITED
香港拯救貓狗協會有限公司
(Formerly known as LINDA CAT & DOG HOUSE COMPANY LIMITED)
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2017

	Note	<u>2017</u> HK\$	13/05/2015- <u>31/03/2016</u> HK\$
INCOME	3	2,412,068	1,425,922
EXPENDITURE		<u>(2,470,139)</u>	<u>(1,391,197)</u>
(DEFICIT) / SURPLUS FOR THE YEAR / PERIOD		<u>(58,071)</u>	<u>34,725</u>

The accompanying Accounting Policies and Explanatory Notes form an integral part of, and should be read in conjunction with, these financial statements.

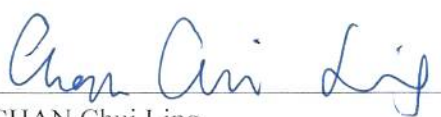
HK SAVING CAT AND DOG ASSOCIATION LIMITED
香港拯救貓狗協會有限公司
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STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2017

	Note	2017 HK\$	2016 HK\$
NON-CURRENT ASSET			
Property, plant and equipment	5	69,124	-
CURRENT ASSET			
Amount due from related company	6	178,322	42,195
Prepayments		816	-
Cash and cash equivalents	7	59,417	-
		238,555	42,195
CURRENT LIABILITIES			
Amount due to a director	8	320,033	-
Accrued expenses		10,992	7,470
		(331,025)	(7,470)
NET CURRENT (LIABILITIES) / ASSETS		(92,470)	34,725
NET (LIABILITIES) / ASSETS		(23,346)	34,725
EQUITY			
<u>Funds</u>			
General fund		(23,346)	34,725

The financial statements on Pages 6 to 11 were approved by the Board of Directors
on 26 June, 2017



TSE Hiu Mui
(Director)



CHAN Chui Ling
(Director)

The accompanying Accounting Policies and Explanatory Notes form an integral part of, and should be read in conjunction with, these financial statements.

HK SAVING CAT AND DOG ASSOCIATION LIMITED
香港拯救貓狗協會有限公司
(Formerly known as LINDA CAT & DOG HOUSE COMPANY LIMITED)
ACCOUNTING POLICIES AND EXPLANATORY NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

REPORTING ENTITY

HK Saving Cat and Dog Association Limited (“the Association”) is a limited by guarantee Association domiciled and incorporated in Hong Kong. The address of its registered office is Unit 7, 9/F., Favor Industrial Centre, Kin Hong Street 2-6, Kwai Chung. The principal activities of the Association during the year is engaged in improving and promoting the welfare and living environment of stray dogs and cats in Hong Kong through sterilization programs, feeding food and treating diseases. Thereby effectively controlling the number of stray dogs and cats, significantly reducing the nuisance caused to the community and making the environment more hygienic and harmonious.

1. CORPORATE STRUCTURE & LEGAL STATUS

The Association is a Company limited by guarantee and does not have a share capital. In the event of the winding up of the Association, members of the Association and those persons who cease to be a member within one year shall have to contribute an amount not exceeding HK\$100.00 per member for the settlement of the Association's liabilities.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The financial statements have been prepared in accordance with all applicable Statements of Standard Accounting Practice and Interpretations issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong and the requirements of the Hong Kong Companies Ordinance. The measurement basis used in the preparation of the financial statements is historical cost.

Functional and presentation currency

The reporting currency of the Association is Hong Kong Dollars, which is the currency of the primary economic environment in which the Association operates.

Foreign currency transactions are converted at the exchange rate applicable at the transaction date. Foreign currency monetary items are translated into Hong Kong Dollars using exchange rates applicable at the end of the reporting period. Gains and losses on foreign exchange are recognised in the income and expenditure account.

HK SAVING CAT AND DOG ASSOCIATION LIMITED
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ACCOUNTING POLICIES AND EXPLANATORY NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

Cash and cash equivalents

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

Revenue recognition

(i) Donations

Donations are recognised when the right to receive payment is established.

(ii) Bank interest income

Bank interest income is recognised using the effective interest method.

Impairment loss

An assessment is made at the end of each reporting period 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 recognised in the income statement. A previously recognised 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 amortisation or depreciation), had no impairment losses been recognised for the asset in prior years.

3. INCOME

An analysis of the Association's income for the year is as follows:-

	<u>2017</u>	<u>2016</u>
	HK\$	HK\$
Income		
Donation	2,412,058	1,425,917
Bank interest income	10	5
	<u>2,412,068</u>	<u>1,425,922</u>

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ACCOUNTING POLICIES AND EXPLANATORY NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

4. DIRECTORS' REMUNERATION

Directors' remuneration disclosed in accordance with section 383(1) of the Hong Kong Companies Ordinance (Cap 622) is as follows:-

	<u>2017</u>	<u>2016</u>
	HK\$	HK\$
Directors' fee	-	-
Other emoluments	-	-
	<u>-</u>	<u>-</u>

5. PROPERTY, PLANT AND EQUIPMENT

	<u>Furniture & Fixtures</u>	<u>Leasehold Improvement</u>	<u>Total</u>
	HK\$	HK\$	HK\$
Cost			
Addition	27,848	58,557	86,405
As at 31 March 2017	<u>27,848</u>	<u>58,557</u>	<u>86,405</u>
Accumulated Depreciation			
Charge for the year	5,570	11,711	17,281
As at 31 March 2017	<u>5,570</u>	<u>11,711</u>	<u>17,281</u>
Net Book Value			
As at 31 March 2017	<u>22,278</u>	<u>46,846</u>	<u>69,124</u>

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ACCOUNTING POLICIES AND EXPLANATORY NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

6. AMOUNT DUE FROM A RELATED COMPANY

The amount due from a related company is unsecured, non-interest bearing and without fixed repayment terms.

7. CASH AND CASH EQUIVALENT

	<u>2017</u>	<u>2016</u>
	HK\$	HK\$
Cash at bank	<u>59,417</u>	<u>-</u>

8. AMOUNT DUE TO A DIRECTOR

The amount due to a director is unsecured, interest-free and has no fixed terms of repayment.

9. TAXATION

The Association is an approved charitable institution and is exempted from tax under Section 88 of the Inland Revenue Ordinance.

10. GENERAL FUND

	<u>General</u>	<u>Total</u>
	<u>Fund</u>	<u>HK\$</u>
	HK\$	HK\$
At 1 April 2016	34,725	34,725
Deficit for the year	<u>(58,071)</u>	<u>(58,071)</u>
At 31 March 2017	<u>(23,346)</u>	<u>(23,346)</u>

II. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were authorised for issued by the Association's Board of Directors on 26 June, 2017.

HK SAVING CAT AND DOG ASSOCIATION LIMITED
香港拯救貓狗協會有限公司
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DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2017
(For Management Purpose Only)

	<u>2017</u>	<u>2016</u>
	HK\$	HK\$
INCOME		
Donations	2,412,058	1,425,917
Bank interest income	10	5
	<u>2,412,068</u>	<u>1,425,922</u>
EXPENDITURE		
Accounting fee	6,000	5,500
Advertising	7,580	-
Auditor's remuneration	8,000	5,000
Bank charge	512	2,346
Cleansing expenses	10,605	4,621
Company secretarial fee	-	1,300
Courier and Postage	8,053	10,532
Depreciation	17,281	-
Electricity and Water	33,036	-
Expenses for pets:-		
- Commodities	189,974	52,229
- Food	165,918	155,926
- Foster fee	249,741	263,106
- Medical expenses	1,279,708	651,796
Formation expenses	-	12,000
Items for charity sale	108,123	75,486
Printing and Stationery	11,097	2,615
Rent	151,800	-
Storage fee	4,200	2,000
Sundry expenses	42,434	4,370
Telephone and Internet	2,457	-
Transportation & travelling	173,620	142,370
	<u>(2,470,139)</u>	<u>(1,391,197)</u>
(DEFICIT) / SURPLUS FOR THE YEAR / PERIOD	<u>(58,071)</u>	<u>34,725</u>