

**THE HONG KONG JOINT COUNCIL OF PARENTS  
OF THE MENTALLY HANDICAPPED**

**EXECUTIVE COMMITTEE'S REPORT  
AND THE AUDITED ACCOUNTS**

**FOR THE YEAR ENDED 31ST MARCH 2020**

**FINANCIAL STATEMENTS**

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**杜紹昭會計師事務所**

**S. C. TO & CO.**

**CERTIFIED PUBLIC ACCOUNTANTS  
HONG KONG**

**THE HONG KONG JOINT COUNCIL OF PARENTS OF THE MENTALLY HANDICAPPED**  
**(A company limited by guarantee and not having a share capital)**

**REPORTS AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MARCH 2020**

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**THE HONG KONG JOINT COUNCIL OF PARENTS OF THE MENTALLY HANDICAPPED**  
**(A company limited by guarantee and not having a share capital)**

**REPORT OF THE COUNCIL'S EXECUTIVE COMMITTEE**

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The Executive Committee hereby submits their annual report together with the audited financial statements of The Hong Kong Joint Council of Parents of The Mentally Handicapped ("the Council") for the year ended 31st March 2020.

**PRINCIPAL ACTIVITIES**

The Council is a self-help organisation for the parents and caregivers of person with intellectual disability ("PID"). The principal activities of the Council include providing services and activities to PIDs, caregivers and the public. The Council is also concerned about the welfare, services and rights of PIDs and it is active in providing community education in promoting public awareness and acceptance of PIDs.

**BUSINESS REVIEW**

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

**COUNCIL'S EXECUTIVE COMMITTEE**

The Executive Committee members during the year and up to the date of this report are:

Ms. Chung Kwok Yee, Goretti, Chairperson  
Ms. Wong Ming Fung, Vice-chairperson  
Ms. Cheng Yuk Chun, Vice-chairperson  
Ms. Chan Yuen Wa, Secretary  
Ms. Law Lai Chun, Vice-secretary  
Mr. Ng Siu Ping, Treasurer  
Ms. Wan Yin Fong, Vice-treasurer  
Ms. Cheung Pui Lan, Convener, Rights and Services Working Group  
Ms. Lee Cheung-pui Sindy Cat, Rights and Services Working Group  
Ms. Mok Lai Hing, Rights and Services Working Group  
Ms. Chau Sook Haan, Convener, Recreation and Training Working Group  
Ms. Mok Eva, Recreation and Training Working Group  
Ms. Chung Kar Lai, Convener, Liaison Working Group  
Ms. Yau Chun, Liaison Working Group  
Mr. Yeung Ka Keung, Liaison Working Group

In accordance with Article 47 of the Council's Articles of Association, the Executive Committee members shall hold office for a term of two years and shall retire in the Annual General Meeting to be held in 2020 and may stand for re-election.

**AUDITORS**

The auditors, S. C. TO & CO., Certified Public Accountants (Practising), retire and, being eligible, offer themselves for re-appointment.

On behalf of the Board

  
Ms. Chung Kwok Yee, Goretti  
Chairperson

Date: 5th September 2020



**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF THE HONG KONG JOINT COUNCIL OF PARENTS OF THE  
MENTALLY HANDICAPPED**

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**(A company limited by guarantee and not having a share capital)**

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**Opinion**

We have audited the financial statements of THE HONG KONG JOINT COUNCIL OF PARENTS OF THE MENTALLY HANDICAPPED ("the Council") set out on pages 5 to 15, which comprise the statement of financial position as at 31st March 2020, and the income statement 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 Council 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 ("HKSAs") 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 *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company 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 Executive Committee is responsible for the other information. The other information comprises the information included in the Executive Committee'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.



**INDEPENDENT AUDITOR'S REPORT**  
**TO THE MEMBERS OF THE HONG KONG JOINT COUNCIL OF PARENTS OF THE**  
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**Responsibilities of Directors and Those Charged with Governance for the Financial Statements**

The Executive Committee is 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 Executive Committee 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 Executive Committee is responsible for assessing the Council'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 Executive Committee either intends to liquidate the Council or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Council'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 and to report our opinion solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liabilities 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 Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Executive Committee.
- Conclude on the appropriateness of the Executive Committee's 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 Council'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 Council to cease to continue as a going concern.

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF THE HONG KONG JOINT COUNCIL OF PARENTS OF THE  
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**(A company limited by guarantee and not having a share capital)**

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.



**S. C. TO & CO.**  
**Certified Public Accountants (Practising)**

Hong Kong, 5th September 2020

**THE HONG KONG JOINT COUNCIL OF PARENTS OF THE MENTALLY HANDICAPPED**  
**(A company limited by guarantee and not having a share capital)**

**INCOME STATEMENT**  
**FOR THE YEAR ENDED 31ST MARCH 2020**

	Note	2020 HK\$	2019 HK\$
<b>Revenue</b>	3	<b>3,207,476.30</b>	3,003,692.76
Other revenue	4	<u>116,403.81</u>	<u>108,189.33</u>
		<b>3,323,880.11</b>	3,111,882.09
Administrative expenses		<u>(3,333,517.11)</u>	<u>(3,550,397.68)</u>
<b>(Deficit) for the year</b>	5	<u><b>(9,637.00)</b></u>	<u>(438,515.59)</u>

The accompanying notes to the financial statements form an integral part of, and should be read in conjunction with, these financial statements.




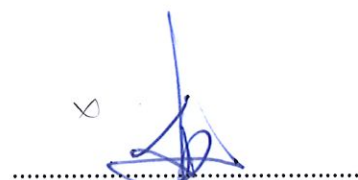
**THE HONG KONG JOINT COUNCIL OF PARENTS OF THE MENTALLY HANDICAPPED**  
**(A company limited by guarantee and not having a share capital)**

**STATEMENT OF FINANCIAL POSITION**  
**AT 31ST MARCH 2020**

	Note	2020 HK\$	2019 HK\$
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	9	2.00	2.00
<b>CURRENT ASSETS</b>			
Other receivables and prepayments	11	44,648.61	33,356.20
Financial assets	10	959,000.00	959,000.00
Cash and bank balances		1,887,238.99	1,787,639.66
Bank time deposits		2,127,140.13	2,088,896.87
		<u>5,018,027.73</u>	<u>4,868,892.73</u>
<b>CURRENT LIABILITIES</b>			
Other payables and accruals	12	170,129.00	11,357.00
<b>NET CURRENT ASSETS</b>		<u>4,847,898.73</u>	<u>4,857,535.73</u>
<b>TOTAL NET ASSETS</b>		<u>4,847,900.73</u>	<u>4,857,537.73</u>
<b>ACCUMULATED FUNDS</b>			
General fund	13	900.73	537.73
Development fund	13	4,847,000.00	4,857,000.00
Trailwalker Community Education Centre fund	13	-	-
<b>TOTAL SHAREHOLDERS' FUNDS</b>		<u>4,847,900.73</u>	<u>4,857,537.73</u>

The financial statements on pages 5 to 15 were approved and authorised for issue by the Executive Committee on 5th September 2020 and are signed on its behalf by:

  
 Ms. Chung Kwok Yee, Goretti  
 Chairperson

  
 Mr. Ng Siu Ping  
 Treasurer

The accompanying notes to the financial statements form an integral part of, and should be read in conjunction with, these financial statements.



**THE HONG KONG JOINT COUNCIL OF PARENTS OF THE MENTALLY HANDICAPPED**  
**(A company limited by guarantee and not having a share capital)**

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MARCH 2020**

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**1. REPORTING ENTITY**

THE HONG KONG JOINT COUNCIL OF PARENTS OF THE MENTALLY HANDICAPPED ("the Council") is a company domiciled in Hong Kong, limited by guarantee and not having a share capital. The Council's registered office is located at Units 21-24, G/F., Nam On House, Nam Shan Estate, Kowloon.

The Council is a self-help organisation for the parents and caregivers of person with intellectual disability ("PID"). The principal activities of the Council include providing services and activities to PIDs, caregivers and the public. The Council is also concerned about the welfare, services and rights of PIDs and it is active in providing community education in promoting public awareness and acceptance of PIDs.

**2. BASIS OF PREPARATION AND ACCOUNTING POLICIES**

The Council qualifies for the reporting exemption as a small guarantee company under section 359(3)(a) of the Hong Kong Companies Ordinance (Cap. 622). The Council is therefore entitled to prepare and present its financial statements in accordance with the Small and Medium-sized Entity Financial Reporting Standard (the "SME-FRS") issued by the Hong Kong Institute of Certified Public Accountants.

These financial statements comply with the SME-FRS and have been prepared under the accrual basis of accounting and on the basis that the Council is a going concern.

The measurement base adopted is the historical cost convention.

The following are the specific accounting policies that are necessary for a proper understanding of the financial statements:

**(a) Property, plant and equipment**

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the income statement in the year in which the item is derecognised.

**(b) Depreciation**

Property, plant and equipment are written off to a nominal value as and when the expenditure is incurred.

Fully depreciated assets are retained in the accounts until they are no longer in use. Both the useful life of an asset and its residual value, if any, are reviewed annually.

**THE HONG KONG JOINT COUNCIL OF PARENTS OF THE MENTALLY HANDICAPPED**  
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**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MARCH 2020**

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

**(c) Leases**

Leases that transfer substantially all the rewards and risks of ownership of assets to the company, are accounted for as finance leases. At the inception of a finance lease, the cost of the leased asset is capitalised at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to the income statement.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

Leases where substantially all the risks and rewards of ownership of assets are not transferred to the lessee are accounted for as operating leases. Annual rents applicable to such operating leases are charged to the income statement on a straight-line basis over the lease term.

**(d) Impairment**

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. In the event that an asset's carrying amount exceeds its recoverable amount, the carrying amount is reduced to its 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.

**(e) Trade and other receivables**

Trade and other receivables are stated at estimated realisable value after each debt has been considered individually. Where the payment of a debt becomes doubtful a provision is made and charged to the income statement.

**(f) Government grants and subvention**

Government grants and subvention are recognised as income over the periods which match the costs to which it relate. Grants related to expense items are recognised in the same period as the expenses to which it related are charged in the income statement.

**(g) Financial assets**

Current investments are stated at the lower of cost and net realisable value. Long-term investments are stated at cost less accumulated impairment losses.



**THE HONG KONG JOINT COUNCIL OF PARENTS OF THE MENTALLY HANDICAPPED**  
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**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MARCH 2020**

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

**(h) Income tax**

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

**(i) Foreign currencies**

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

**(j) Recognition of revenue**

Revenue is recognised when it is probable that the economic benefits will flow to the Council and when the revenue can be measured reliably, on the following bases:

Service income is recognised when services are provided.

Interest income is recognised on a time proportion basis taking into account the principal outstanding and the interest applicable.

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.



**THE HONG KONG JOINT COUNCIL OF PARENTS OF THE MENTALLY HANDICAPPED**  
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**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MARCH 2020**

**3. REVENUE**

	<b>2020</b>	<b>2019</b>
	<b>HK\$</b>	<b>HK\$</b>
Donations received from		
- Community Chest	1,003,000.00	701,900.00
- Financial Support from Labour and Welfare Bureau		
Adult Education Subvention Scheme	5,263.95	28,671.33
- Financial Support from Social Welfare Department		
Project for Self Help Group of People with Disabilities		
2016-2018	-	105,000.00
2018-2020	210,000.00	110,000.00
Government rent and rates subsidies	110,540.00	115,820.00
- Hong Kong Jockey Club Charities Trust	1,136,145.65	739,924.64
- Queen Elizabeth Foundation	(2,296.00)	36,744.20
- Flag Day		
PSP No. FD/R022/2019 (Note 1)	304,974.30	-
PSP No. FD/R013/2018 (Note 1)	-	691,792.48
- General charitable fund-raising activities		
PSP No. 2018/018/1 (Note 2)	-	29,684.41
- Others	382,487.40	244,710.70
Activities income	39,361.00	181,895.00
Membership fee	18,000.00	17,550.00
	<u>3,207,476.30</u>	<u>3,003,692.76</u>

Note. Details of the Council's Flag Day and general charitable fund-raising activities covered by Public Subscription Permits issued by the Social Welfare Department are as follows:

	<b>2020</b>	<b>2019</b>
	<b>HK\$</b>	<b>HK\$</b>
(1) Flag Days:		
Public Subscription Permit number	FD/R022/019	FD/R013/2018
Total income	304,974.30	691,792.48
Total expenditure	(19,048.07)	(39,745.49)
Net income	<u>285,926.23</u>	<u>652,046.99</u>
(2) General charitable fund raising activities:		
Public Subscription Permit number	N/A	2018/018/1
Total income	-	29,684.41
Total expenditure	-	(1,500.00)
Net income	<u>-</u>	<u>28,184.41</u>

**THE HONG KONG JOINT COUNCIL OF PARENTS OF THE MENTALLY HANDICAPPED**  
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**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MARCH 2020**

**3. REVENUE (cont'd)**

The purpose of Flag Days (PSP No. FD/R013/2018 and FD/R022/2019) is raising fund for supporting the work of Trailwalker Community Education Centre (including the pursuing of the mutual help group of the parents, supporting the parents; providing daily life training and volunteer work opportunity for the person with mild grade intellectual disabilities, and providing community education etc).

The purpose of General charitable fund-raising activities (PSP No. 2018/018/1) is for serving people of intellectual disabilities and their families.

**4. OTHER REVENUE**

	<b>2020</b>	<b>2019</b>
	<b>HK\$</b>	<b>HK\$</b>
Interest received	39,730.46	29,553.05
Dividends received from listed investments	62,177.20	61,298.65
Photocopying income	3,260.00	8,952.80
Sundry income	11,236.15	8,384.83
	<u>116,403.81</u>	<u>108,189.33</u>

**5. (DEFICIT) BEFORE TAX**

	<b>2020</b>	<b>2019</b>
	<b>HK\$</b>	<b>HK\$</b>
(Deficit) before tax is arrived at after charging:		
Auditors' remuneration	7,500.00	7,500.00
Depreciation	41,902.50	122,605.50
Flag Day's expenses	19,048.07	39,745.49
General charitable fund-raising activity expenses	-	1,500.00
Operating leases:		
Hire of plant and machinery	19,688.00	18,750.00
Rent and rates	119,985.00	110,540.00
Staff costs (Note 6)	<u>2,426,660.31</u>	<u>2,276,450.00</u>

**6. STAFF COSTS**

Staff costs, excluding Executive Committee members' remunerations, are shown as follows:

	<b>2020</b>	<b>2019</b>
	<b>HK\$</b>	<b>HK\$</b>
Salaries and allowances	2,317,697.14	2,172,109.15
Staff retirement scheme expenses	<u>108,963.17</u>	<u>104,340.85</u>
	<u>2,426,660.31</u>	<u>2,276,450.00</u>

**THE HONG KONG JOINT COUNCIL OF PARENTS OF THE MENTALLY HANDICAPPED**  
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**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MARCH 2020**

**7. EXECUTIVE COMMITTEE MEMBERS' EMOLUMENTS**

The Executive Committee members' remuneration disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Executive Committee) Regulation for the year is HK\$NIL (2019: HK\$NIL).

**8. INCOME TAX EXPENSE**

No provision for Hong Kong profits tax is made in the financial statements as the Council is exempted from tax under Section 88 of the Inland Revenue Ordinance (Cap.112) with effective from 4th October 1999.

**9. PROPERTY, PLANT AND EQUIPMENT**

	<b>Furniture, fixtures and equipment HK\$</b>	<b>Trailwalker Community Education Centre HK\$</b>	<b>Total HK\$</b>
<b>Cost:</b>			
At 1st April 2019	24,546.00	2,372,157.00	2,396,703.00
Additions	-	41,902.50	41,902.50
At 31st March 2020	24,546.00	2,414,059.50	2,438,605.50
<b>Accumulated depreciation:</b>			
At 1st April 2019	24,545.00	2,372,156.00	2,396,701.00
Charge for the year	-	41,902.50	41,902.50
At 31st March 2020	24,545.00	2,414,058.50	2,438,603.50
<b>Net carrying amount:</b>			
At 31st March 2020	1.00	1.00	2.00
At 31st March 2019	1.00	1.00	2.00



**THE HONG KONG JOINT COUNCIL OF PARENTS OF THE MENTALLY HANDICAPPED**  
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**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MARCH 2020**

**10. FINANCIAL ASSETS**

	<b>2020</b>	<b>2019</b>
	<b>HK\$</b>	<b>HK\$</b>
<b>Investment in securities:</b>		
Listed	959,000.00	959,000.00
<b>Market value of listed securities:</b>		
Investment securities	1,249,100.00	1,620,600.00

**11. OTHER RECEIVABLES AND PREPAYMENTS**

	<b>2020</b>	<b>2019</b>
	<b>HK\$</b>	<b>HK\$</b>
Donation receivable	-	3,908.20
Deposits paid	8,000.00	8,000.00
Prepayments	36,648.61	21,448.00
	44,648.61	33,356.20

**12. OTHER PAYABLES AND ACCRUALS**

	<b>2020</b>	<b>2019</b>
	<b>HK\$</b>	<b>HK\$</b>
Receipts in advance	162,483.00	2,430.00
Accrued expenses	7,646.00	8,927.00
	170,129.00	11,357.00

**THE HONG KONG JOINT COUNCIL OF PARENTS OF THE MENTALLY HANDICAPPED**  
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**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MARCH 2020**

**13. CHANGES IN EQUITY**

	<b>General fund HK\$ (Note 1)</b>	<b>Development fund HK\$ (Note 2)</b>	<b>Trailwalker Community Education Centre fund HK\$</b>	<b>Total HK\$</b>
Balance at 1st April 2018	846.78	5,295,206.54	-	5,296,053.32
Surplus/(deficit) for the year	880,541.61	90,851.70	(1,409,908.90)	(438,515.59)
Fund transfer	(880,850.66)	(529,058.24)	1,409,908.90	-
Balance at 31st March 2019	537.73	4,857,000.00	-	4,857,537.73
Balance at 1st April 2019	537.73	4,857,000.00	-	4,857,537.73
Surplus/(deficit) for the year	638,426.23	101,907.66	(749,970.89)	(9,637.00)
Fund transfer	(638,063.23)	(111,907.66)	749,970.89	-
Balance at 31st March 2020	900.73	4,847,000.00	4,847,900.73	4,847,901.73

Note 1. The analysis of surplus of Flag Day included in General Fund is as follows:

	<b>2020 HK\$</b>	<b>2019 HK\$</b>
At 1st April		
Flag Day income	304,974.30	691,792.48
Less : Flag Day's expenses	(19,048.07)	(39,745.49)
	285,926.23	652,046.99
Fund transfer to Trailwalker Community Education Centre fund	(285,926.23)	(652,046.99)
At 31st March	-	-

Note 2. The analysis of Development fund is as follows:

	<b>2020 HK\$</b>	<b>2019 HK\$</b>
Principal	5,000,000.00	5,000,000.00
Income generated from the fund since inception	2,223,124.90	2,121,217.24
Fund transfer to other funds since inception	(2,376,124.90)	(2,264,217.24)
	4,847,000.00	4,857,000.00

Included in the Development Fund is donations of HK\$3,070,000.00 from donors who specified that such funds should be used as reserve funds or emergency funds of the Council. It can also be used to generate income to support the daily operations of the Council. Should the Council cease operations or go into liquidation, these funds should be donated to organizations with similar objectives as the Council according to the provisions in the Memorandum and Articles of Association of the Council.

**THE HONG KONG JOINT COUNCIL OF PARENTS OF THE MENTALLY HANDICAPPED**  
**(A company limited by guarantee and not having a share capital)**

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MARCH 2020**

**14. CONTINGENT LIABILITIES**

The Council had no significant contingent liabilities as at 31st March 2020.

**15. CAPITAL COMMITMENTS**

The Council had no significant capital commitment as at 31st March 2020.

**16. OPERATING LEASE ARRANGEMENTS**

**The company as lessee:**

	<b>2020</b>	<b>2019</b>
	<b>HK\$</b>	<b>HK\$</b>
<b>In respect of the leases:</b>		
Total minimum lease payments under operating leases recognised as expenses for the year	113,280.00	105,600.00

At 31st March 2020, the company had outstanding commitments under non-cancellable operating leases, which fall due as follows:

	<b>2020</b>	<b>2019</b>
	<b>HK\$</b>	<b>HK\$</b>
Within one year	113,280.00	-
In the second to fifth years inclusive	113,280.00	-
	<u>226,560.00</u>	<u>-</u>

Operating lease payments represent rentals payable by the Council for its office. The lease is negotiated for 3 years and will be expired in March, 2022.

**17. COMPARATIVE FIGURES**

Certain comparative figures have been reclassified to conform with the current year's accounts presentation.



**THE HONG KONG JOINT COUNCIL OF PARENTS OF THE MENTALLY HANDICAPPED**  
(A company limited by guarantee and not having a share capital)

**DETAILED INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31ST MARCH 2020**

	General fund HK\$	Development fund HK\$	Trailwalker Community Education Centre fund HK\$	2020 Total HK\$	2019 Total HK\$
<b>INCOME</b>					
Donations received from					
- Community Chest	-	-	1,003,000.00	1,003,000.00	701,900.00
- Financial Support from Labour and Welfare Bureau Adult Education Subvention Scheme	-	-	5,263.95	5,263.95	28,671.33
- Financial Support from Social Welfare Department Project for Self Help Group of People with Disabilities 2016-2018	-	-	-	-	105,000.00
2018-2020	-	-	210,000.00	210,000.00	110,000.00
Government rent and rates subsidies	-	-	110,540.00	110,540.00	115,820.00
- Hong Kong Jockey Club Charities Trust	-	-	1,136,145.65	1,136,145.65	739,924.64
- Sponsorship from Constitutional and Mainland Affairs Bureau	-	-	-	-	-
- Queen Elizabeth Foundation	-	-	(2,296.00)	(2,296.00)	36,744.20
- Flag day					
PSP No. FD/R022/2019	304,974.30	-	-	304,974.30	-
PSP No. FD/R013/2018	-	-	-	-	691,792.48
- General charitable fund-raising activities					
PSP No. 2018/018/1	-	-	-	-	29,684.41
- Others	376,887.40	-	5,600.00	382,487.40	244,710.70
Activities income	14,611.00	-	24,750.00	39,361.00	181,895.00
Membership fee	18,000.00	-	-	18,000.00	17,550.00
Interest received	-	39,730.46	-	39,730.46	29,553.05
Photocopying income	-	-	3,260.00	3,260.00	8,952.80
Dividends received from listed investments	-	62,177.20	-	62,177.20	61,298.65
Sundry income	-	-	11,236.15	11,236.15	8,384.83
	<u>714,472.70</u>	<u>101,907.66</u>	<u>2,507,499.75</u>	<u>3,323,880.11</u>	<u>3,111,882.09</u>
<b>EXPENDITURE</b>					
Activities expenses	19,663.10	-	443,146.84	462,809.94	768,937.99
Advertising fee	-	-	11,416.80	11,416.80	2,044.80
Auditor's remuneration	7,500.00	-	-	7,500.00	7,500.00
Bank charges	-	-	5,739.52	5,739.52	3,869.82
Cleaning and sanitation	-	-	2,523.00	2,523.00	2,607.00
Depreciation	-	-	41,902.50	41,902.50	122,605.50
Flag day's expenses					
PSP No. FD/R022/2019	19,048.07	-	-	19,048.07	-
PSP No. FD/R013/2018	-	-	-	-	39,745.49
General charitable fund-raising activity expenses					
PSP No. 2018/018/1	-	-	-	-	1,500.00
Insurance	-	-	29,205.10	29,205.10	24,968.74
Leasing charges	-	-	19,688.00	19,688.00	18,750.00
Legal and professional fee	2,795.00	-	-	2,795.00	5,537.00
Mandatory provident fund contribution	-	-	108,963.17	108,963.17	104,340.85
Membership fee	2,530.00	-	-	2,530.00	2,500.00
Periodical and newspaper	-	-	6,114.00	6,114.00	1,522.00
Postage and courier	4,710.30	-	15,184.71	19,895.01	14,414.96
Printing and stationery	19,800.00	-	31,098.49	50,898.49	48,111.61
Rent and rates	-	-	119,985.00	119,985.00	110,540.00
Repair and maintenance	-	-	13,473.00	13,473.00	10,770.00
Salaries and allowances	-	-	2,317,697.14	2,317,697.14	2,172,109.15
Sundry expenses	-	-	47,772.43	47,772.43	41,609.17
Telephone and internet	-	-	11,709.84	11,709.84	9,855.00
Travelling expenses	-	-	7,493.20	7,493.20	9,852.10
Water and electricity	-	-	24,357.90	24,357.90	26,706.50
	<u>76,046.47</u>	<u>-</u>	<u>3,257,470.64</u>	<u>3,333,517.11</u>	<u>3,550,397.68</u>
Surplus / (Deficit) for the year	638,426.23	101,907.66	(749,970.89)	(9,637.00)	(438,515.59)
Accumulated surplus brought forward	537.73	4,857,000.00	-	4,857,537.73	5,296,053.32
	<u>638,963.96</u>	<u>4,958,907.66</u>	<u>(749,970.89)</u>	<u>4,847,900.73</u>	<u>4,857,537.73</u>
Fund transfer	(638,063.23)	(111,907.66)	749,970.89	-	-
Accumulated surplus carried forward	<u>900.73</u>	<u>4,847,000.00</u>	<u>-</u>	<u>4,847,900.73</u>	<u>4,857,537.73</u>

The above detailed income and expenditure account  
was prepared for management purposes only and  
does not form part of the audited financial statements