

**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 2018

FINANCIAL STATEMENTS

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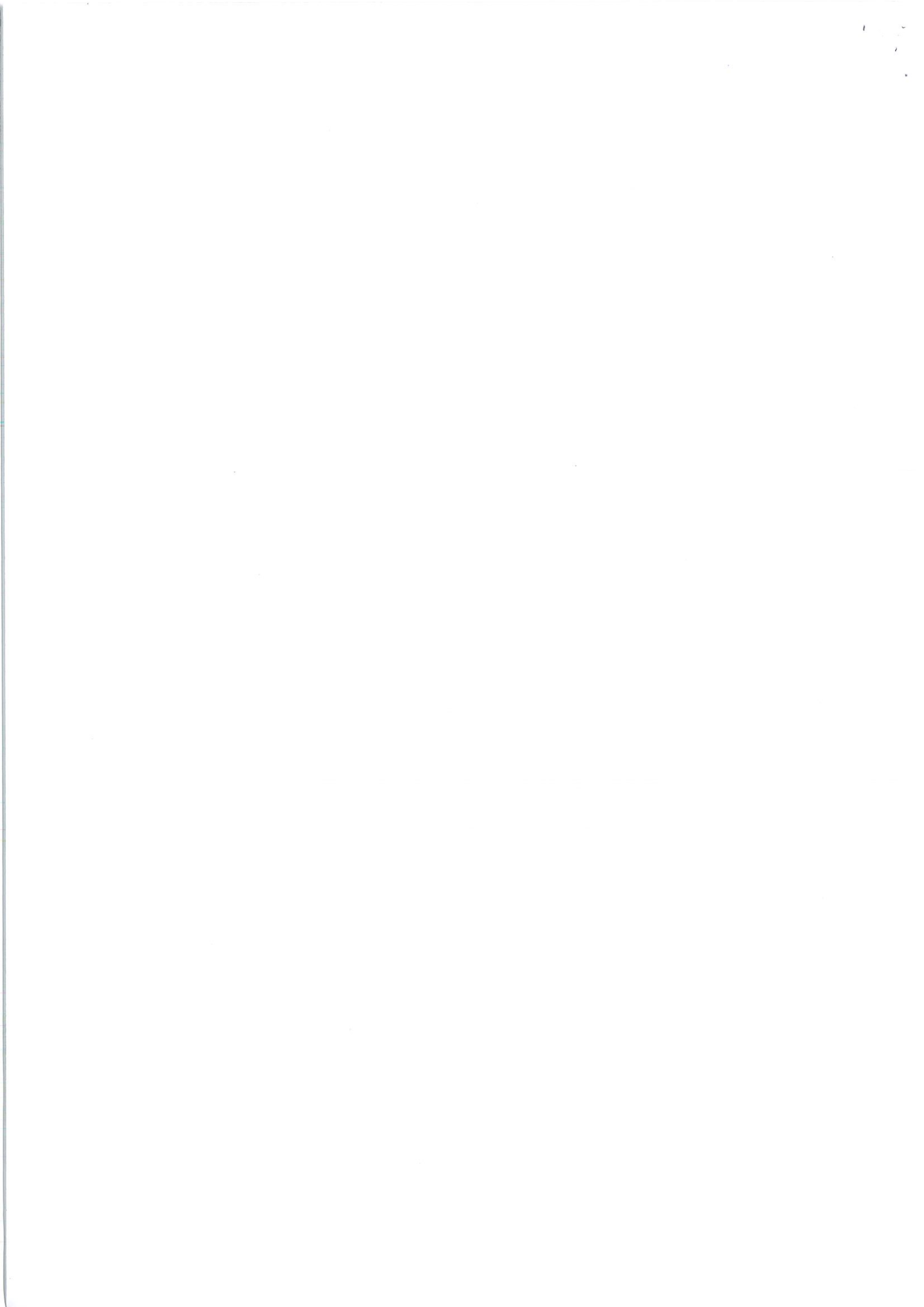
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杜紹昭會計師事務所

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 2018**

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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

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 2018.

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.

EXECUTIVE COMMITTEE

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

Ms. Cheng Yuk Chun, Chairperson
Ms. Chung Kwok Yee Goretta, Vice-chairperson
Ms. Law Lai Chun, Vice-chairperson
Ms. Mok Eva, Secretary
Ms. Wong Ming Fung, Vice-secretary
Mr. Ng Siu Ping, Treasurer
Ms. Wan Yin Fong, Vice-treasurer
Ms. Lee Cheung-pui Sindy Cat, Convener, Rights and Services Working Group
Ms. Mak Wai Har, Rights and Services Working Group (Resigned on 4th February 2018)
Mr. Yeung Ka Keung, Rights and Services Working Group
Ms. Chau Sook Hann, Convener, Recreation and Training Working Group
Ms. Cheung Pui Lan, Recreation and Training Working Group
Ms. Yau Chun, Convener, Liaison Working Group
Ms. Kan Wai Ha, Liaison Working Group
Ms. Ho Lan Ying, 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 coming Annual General Meeting to be held on 21st October 2018 and shall be subject to 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. Cheng Yuk Chun
Chairperson
Date: 6th September 2018

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

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 2018, 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 of Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") 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 Council 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
MENTALLY HANDICAPPED
(A company limited by guarantee and not having a share capital)**

Responsibilities of Executive Committee 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 HKSAs 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 HKSAs, 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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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, 6th September 2018



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 2018

	Note	2018 HK\$	2017 HK\$
Turnover	3	2,516,411.24	2,713,202.30
Other revenues	4	105,839.51	95,504.05
		<u>2,622,250.75</u>	<u>2,808,706.35</u>
Administrative expenses		<u>(2,994,815.37)</u>	<u>(3,331,028.94)</u>
(Deficit) for the year	5	<u><u>(372,564.62)</u></u>	<u><u>(522,322.59)</u></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 2018

	Note	2018 HK\$	2017 HK\$
NON-CURRENT ASSETS			
Property, plant and equipment	9	2.00	2.00
CURRENT ASSETS			
Other debtors and prepaid expenses	11	63,213.00	92,799.50
Investment in securities	10	959,000.00	959,000.00
Cash and bank balances		1,444,178.67	2,038,747.57
Bank time deposits		2,844,379.85	2,817,618.27
		<u>5,310,771.52</u>	<u>5,908,165.34</u>
CURRENT LIABILITIES			
Other creditors and accruals	12	14,720.20	239,549.40
NET CURRENT ASSETS			
		<u>5,296,051.32</u>	<u>5,668,615.94</u>
TOTAL NET ASSETS			
		<u><u>5,296,053.32</u></u>	<u><u>5,668,617.94</u></u>
ACCUMULATED FUNDS			
General fund	13	846.78	837.12
Development fund	13	5,295,206.54	5,667,780.82
Trailwalker Community Education Centre fund	13	-	-
TOTAL FUNDS			
		<u><u>5,296,053.32</u></u>	<u><u>5,668,617.94</u></u>

The financial statements on pages 5 to 15 were approved and authorised for issue by the Executive Committee on 6th September 2018 and are signed on its behalf by:



.....
 Ms. Cheng Yuk Chun
 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 2018

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

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2018

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (con't)

(c) Leases

Leases that transfer substantially all the rewards and risks of ownership of assets to the Council, 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) Turnover

Turnover represents the net amounts received from offering, activity income and membership fee during the year.

(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) Investments in securities

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

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2018

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (con't)

(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 consists of turnover and other revenue but excludes the reversal of impairment and/or provision. Turnover comprises revenue generated from the principal activities of the Council. Other revenue includes exchange gain (net of exchange loss) and gain on disposal of capital assets.

Revenue is recognised as income when it is probable that the economic benefits associated with transaction will flow to the Council and when the amount of revenue as well as costs incurred for the transaction can be measured reliable. Revenue is measured at fair value of the consideration received or receivable and is shown net of discounts, rebates, returns and sales-related taxes on the following bases:

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

Dividend income is recognised when the member's right to receive payment is 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 2018

3. TURNOVER

An analysis of the Council's revenue is as follows:

	2018	2017
	HK\$	HK\$
Donations received from		
- Community Chest	681,400.00	661,500.00
- Financial Support from Labour and Welfare Bureau		
Adult Education Subvention Scheme	33,743.74	42,058.68
Get Along with the Mental Handicapped in an Integrate		
Community	-	6,433.10
Brilliant Sharing by PIDs 2.0	21,220.00	-
- Financial Support from Social Welfare Department		
Project for Self Help Group of People with Disabilities		
2014-2016	-	97,500.00
2016-2018	210,000.00	105,000.00
Government rent and rates subsidies	115,820.00	102,640.00
Grant from Lotteries Fund (office renovation)	-	1,210,028.00
- Sponsorship from Constitutional and Mainland Affairs		
Bureau	57,187.00	-
- Queen Elizabeth Foundation	38,314.00	130,162.05
- Flag day	880,149.70	-
- Others	248,057.80	212,647.47
Activities income	221,669.00	132,133.00
Membership fee	8,850.00	13,100.00
	<u>2,516,411.24</u>	<u>2,713,202.30</u>

4. OTHER REVENUE

	2018	2017
	HK\$	HK\$
Interest received	26,888.00	23,302.21
Dividends received from listed investments	59,537.72	57,823.24
Photocopying income	9,654.00	4,478.60
Sundry income	9,759.79	9,900.00
	<u>105,839.51</u>	<u>95,504.05</u>

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 2018

5. (DEFICIT) FOR THE YEAR

	2018	2017
	HK\$	HK\$
(Deficit) for the year is arrived at:		
(a) After charging:		
Auditors' remuneration	7,500.00	7,000.00
Depreciation	49,941.50	1,175,142.00
Operating leases:		
Hire of plant and machinery	15,000.00	-
Rent and rates	115,820.00	142,820.00
Staff costs (Note 6)	1,870,499.47	1,266,644.95
	<u> </u>	<u> </u>
(b) After crediting:		
Bank interest income	26,888.00	23,302.21
Dividends received from listed investments	59,537.72	57,823.24
	<u> </u>	<u> </u>

6. STAFF COSTS

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

	2018	2017
	HK\$	HK\$
Salaries and allowances	1,782,993.93	1,206,161.82
Staff retirement scheme expenses	87,505.54	60,483.13
	<u> </u>	<u> </u>
	1,870,499.47	1,266,644.95
	<u> </u>	<u> </u>

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 Directors) Regulation is as follows:

	2018	2017
	HK\$	HK\$
Fees	-	-
Executive Committee members' salaries, allowances and other benefits in kinds	-	-
	<u> </u>	<u> </u>

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.

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 2018

9. PROPERTY, PLANT AND EQUIPMENT

	Furniture, fixtures and equipment HK\$	Trailwalker Community Education Centre HK\$	Total HK\$
Cost:			
At 1st April 2017	24,546.00	2,199,610.00	2,224,156.00
Additions	-	49,941.50	49,941.50
At 31st March 2018	<u>24,546.00</u>	<u>2,249,551.50</u>	<u>2,274,097.50</u>
Accumulated depreciation:			
At 1st April 2017	24,545.00	2,199,609.00	2,224,154.00
Charge for the year	-	49,941.50	49,941.50
At 31st March 2018	<u>24,545.00</u>	<u>2,249,550.50</u>	<u>2,274,095.50</u>
Net carrying amount:			
At 31st March 2018	<u>1.00</u>	<u>1.00</u>	<u>2.00</u>
At 31st March 2017	<u>1.00</u>	<u>1.00</u>	<u>2.00</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 2018

10. INVESTMENT IN SECURITIES

	2018	2017
	HK\$	HK\$
Trading securities:		
Listed	959,000.00	959,000.00
	<u>959,000.00</u>	<u>959,000.00</u>
Market value of listed securities:		
Investment securities	1,494,500.00	1,471,950.00
	<u>1,494,500.00</u>	<u>1,471,950.00</u>

11. OTHER DEBTORS AND PREPAID EXPENSES

	2018	2017
	HK\$	HK\$
Donation receivable	38,314.00	26,027.00
Other receivable	1,368.00	-
Deposits paid	8,000.00	8,000.00
Prepayments	15,531.00	58,772.50
	<u>63,213.00</u>	<u>92,799.50</u>

12. OTHER CREDITORS AND ACCRUALS

	2018	2017
	HK\$	HK\$
Receipts in advance	2,040.00	193,950.00
Accrued expenses	12,680.20	12,719.90
Temporary receipts	-	32,879.50
	<u>14,720.20</u>	<u>239,549.40</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 2018

13. CHANGES IN EQUITY

	General fund HK\$ (Note 1)	Development fund HK\$ (Note 2)	Trailwalker Community Education Centre fund HK\$	Total HK\$
Balance at 1st April 2016	285.16	6,190,655.37	-	6,190,940.53
Surplus / (deficit) for the year	95,729.77	81,125.45	(699,177.81)	(522,322.59)
Fund transfer	(95,177.81)	(604,000.00)	699,177.81	-
Balance at 31st March 2017	<u>837.12</u>	<u>5,667,780.82</u>	<u>-</u>	<u>5,668,617.94</u>
Balance at 1st April 2017	837.12	5,667,780.82	-	5,668,617.94
Surplus / (deficit) for the year	1,037,235.10	86,425.72	(1,496,225.44)	(372,564.62)
Fund transfer	(1,037,225.44)	(459,000.00)	1,496,225.44	-
Balance at 31st March 2018	<u>846.78</u>	<u>5,295,206.54</u>	<u>-</u>	<u>5,296,053.32</u>

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

	2018 HK\$	2017 HK\$
At 1st April	-	-
Flag Day income	880,149.70	-
Less : Flag Day's expenses	(44,600.30)	-
	<u>835,549.40</u>	<u>-</u>
Fund transfer to Trailwalker Community Education Centre fund	(835,549.40)	-
At 31st March	<u>-</u>	<u>-</u>

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

	2018 HK\$	2017 HK\$
Principal	5,000,000.00	5,000,000.00
Income generated from the fund since inception	2,030,365.54	1,943,939.82
Fund transfer to other funds since inception	(1,735,159.00)	(1,276,159.00)
	<u>5,295,206.54</u>	<u>5,667,780.82</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 2018

14. CONTINGENT LIABILITIES

The Council had no significant contingent liabilities as at 31st March 2018.

15. CAPITAL COMMITMENTS

The Council had no significant capital commitment as at 31st March 2018.

16. OPERATING LEASE ARRANGEMENTS

The Council as lessee:

	2018	2017
	HK\$	HK\$
In respect of the leases:		
Total minimum lease payments under operating leases recognised as expenses for the year	105,600.00	132,600.00

As at 31st March 2018, the Council had outstanding commitments under non-cancellable operating leases, which fall due as follows:

	2018	2017
	HK\$	HK\$
Within one year	105,600.00	105,600.00
In the second to fifth years inclusive	-	105,600.00
	<u>105,600.00</u>	<u>211,200.00</u>

Operating lease payments represent rentals payable by the Council for its office property. The lease is negotiated for a term of 3 years and will expire in March, 2019.

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 2018

	General fund HK\$	Development fund HK\$	Trailwalker Community Education Centre fund HK\$	2018 Total HK\$	2017 Total HK\$
INCOME					
Donations received from					
- Community Chest	-	-	681,400.00	681,400.00	661,500.00
- Financial Support from Labour and Welfare Bureau					
Adult Education Subvention Scheme	-	-	33,743.74	33,743.74	42,058.68
Brilliant Sharing by PIDs 2.0	-	-	21,220.00	21,220.00	-
Get Along with the Mental Handicapped in an Integrate Community	-	-	-	-	6,433.10
- Financial Support from Social Welfare Department					
Project for Self Help Group of People with Disabilities					
2014-2016	-	-	-	-	97,500.00
2016-2018	-	-	210,000.00	210,000.00	105,000.00
Government rent and rates subsidies	-	-	115,820.00	115,820.00	102,640.00
Grant from Lotteries Fund (office renovation)	-	-	-	-	1,210,028.00
- Sponsorship from Constitutional and Mainland Affairs Bureau	57,187.00	-	-	57,187.00	-
- Queen Elizabeth Foundation	-	-	38,314.00	38,314.00	130,162.05
- Flag day	880,149.70	-	-	880,149.70	-
- Others	243,457.80	-	4,600.00	248,057.80	212,647.47
Activities income	88,955.00	-	132,714.00	221,669.00	132,133.00
Membership fee	8,850.00	-	-	8,850.00	13,100.00
Interest received	-	26,888.00	-	26,888.00	23,302.21
Photocopying income	-	-	9,654.00	9,654.00	4,478.60
Dividends received from listed investments	-	59,537.72	-	59,537.72	57,823.24
Sundry income	-	-	9,759.79	9,759.79	9,900.00
	<u>1,278,599.50</u>	<u>86,425.72</u>	<u>1,257,225.53</u>	<u>2,622,250.75</u>	<u>2,808,706.35</u>
EXPENDITURE					
Activities expenses	186,864.10	-	497,182.80	684,046.90	465,680.10
Advertising fee	-	-	13,303.80	13,303.80	8,002.80
Auditor's remuneration	7,500.00	-	-	7,500.00	7,000.00
Bank charges	-	-	2,155.00	2,155.00	1,790.00
Cleaning and sanitation	-	-	1,963.40	1,963.40	1,409.90
Depreciation	-	-	49,941.50	49,941.50	1,175,142.00
Flag day's expenses	44,600.30	-	-	44,600.30	-
Insurance	-	-	21,600.00	21,600.00	18,776.90
Leasing charges	-	-	15,000.00	15,000.00	-
Legal and professional fee	-	-	2,738.00	2,738.00	71,820.00
Mandatory provident fund contribution	-	-	87,505.54	87,505.54	60,483.13
Membership fee	2,400.00	-	100.00	2,500.00	3,565.00
Periodical and newspaper	-	-	3,818.80	3,818.80	2,370.20
Postage and courier	-	-	18,091.10	18,091.10	15,100.50
Printing and stationery	-	-	48,610.60	48,610.60	47,794.80
Rent and rates	-	-	115,820.00	115,820.00	142,820.00
Repair and maintenance	-	-	26,112.00	26,112.00	6,885.00
Salaries and allowances	-	-	1,782,993.93	1,782,993.93	1,206,161.82
Sundry expenses	-	-	28,252.70	28,252.70	54,526.30
Telephone and fax	-	-	9,181.00	9,181.00	14,646.69
Travelling expenses	-	-	5,977.20	5,977.20	5,858.00
Water and electricity	-	-	23,103.60	23,103.60	21,195.80
	<u>241,364.40</u>	<u>-</u>	<u>2,753,450.97</u>	<u>2,994,815.37</u>	<u>3,331,028.94</u>
(Deficit) / Surplus for the year	1,037,235.10	86,425.72	(1,496,225.44)	(372,564.62)	(522,322.59)
Accumulated surplus brought forward	837.12	5,667,780.82	-	5,668,617.94	6,190,940.53
	<u>1,038,072.22</u>	<u>5,754,206.54</u>	<u>(1,496,225.44)</u>	<u>5,296,053.32</u>	<u>5,668,617.94</u>
Fund transfer	(1,037,225.44)	(459,000.00)	1,496,225.44	-	-
Accumulated surplus carried forward	<u>846.78</u>	<u>5,295,206.54</u>	<u>-</u>	<u>5,296,053.32</u>	<u>5,668,617.94</u>

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

