

**Contemporary Charitable Foundation Limited**

當代慈善基金有限公司

**Report and financial statements**

Year ended 30 September 2015

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**Independent auditor's report**

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**To the members of**

**Contemporary Charitable Foundation Limited**

當代慈善基金有限公司

(incorporated in Hong Kong and limited by guarantee)

We have audited the financial statements of Contemporary Charitable Foundation Limited (the Company) set out on pages 3 to 10, which comprise the statement of financial position as at 30 September 2015, and the statement of profit and loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Executive committee members' responsibility for the financial statements**

The executive committee members 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 directors 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 and to report our opinion solely to you, as a body, in accordance with the Hong Kong Companies Ordinance, and for no other purposes. We do not assume responsibility towards or accept liability to any other person for the contents of this report. 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 executive committee members, 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.

**To the members of**

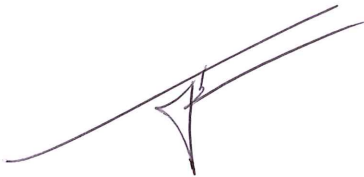
**Contemporary Charitable Foundation Limited**

當代慈善基金有限公司

(incorporated in Hong Kong and limited by guarantee)

**Opinion**

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 30 September 2015, and of its financial performance and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

A handwritten signature in purple ink, consisting of a long horizontal stroke followed by a stylized, looped flourish.

**Johnny Chan**

Certified Public Accountant

9 March 2016

**Income and expenditure account**

Year ended 30 September 2015


	Note	2015 HK\$	2014 HK\$
<b>Revenue</b>	3	2,127,540	1,075,000
Other income		2	14
Administrative expenses		(2,074,197)	(1,192,978)
<b>Surplus (deficit) before tax</b>	4	53,345	(117,964)
Income tax expenses	5	-	-
<b>Surplus (deficit) for the year</b>	5	<u>53,345</u>	<u>(117,964)</u>

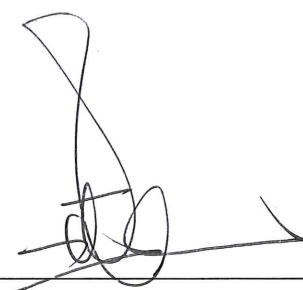
The accompanying accounting policies and explanatory notes form an integral part of, and should be read in conjunction with, these financial statements.

**Statement of financial position**

As at 30 September 2015

	2015 HK\$	2014 HK\$
<b>Current assets</b>		
Prepayment	9,437	1,227
Cash at bank	103,695	58,187
	<u>113,132</u>	<u>59,414</u>
<b>Current liabilities</b>		
Accruals	16,500	16,000
Amount due to member	-	127
	<u>16,500</u>	<u>16,127</u>
<b>Net assets</b>	<u>96,632</u>	<u>43,287</u>
 Representing:		
<b>Accumulated fund</b>		
Retained surplus	<u>96,632</u>	<u>43,287</u>

  
\_\_\_\_\_  
Executive committee member

  
\_\_\_\_\_  
Executive committee member

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

**Statement of changes in accumulated fund**

Year ended 30 September 2015

	Retained surplus HK\$
Balance at 1 October 2013	161,250
Changes in accumulated fund for 2014:	
Deficit for the year	(117,963)
Balance at 30 September 2014	<u>43,287</u>
Balance at 1 October 2014	43,287
Changes in accumulated fund for 2015:	
Surplus for the year	53,345
Balance at 30 September 2015	<u>96,632</u>

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

**Cash flow statement**

Year ended 30 September 2015

	2015 HK\$	2014 HK\$
<b>Operating activities</b>		
Surplus (deficit) for the year	53,345	(117,963)
<b>Operating profit (loss) before changes in working capital</b>	53,345	(117,963)
Increase in prepayment	(8,210)	(1,227)
Increase in accruals	500	-
<b>Net cash generated from (used in) operating activities</b>	45,635	(119,190)
<b>Financing activity</b>		
Decrease in amount due to an executive committee member	(127)	(285,888)
<b>Net cash used in financing activity</b>	(127)	(405,078)
<b>Net increase (decrease) in cash and cash equivalents</b>	45,508	(405,078)
<b>Cash and cash equivalents at beginning of the year</b>	58,187	463,265
<b>Cash and cash equivalents at end of the year</b>	103,695	58,187
<b>Analysis of cash and cash equivalents:</b>		
Cash at bank	103,695	58,187

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



## **Accounting policies and explanatory notes to the financial statements**

Year ended 30 September 2015

### **1. General information**

Contemporary Charitable Foundation Limited is incorporated in Hong Kong with its members' liability limited by guarantee and not having a share capital. The liability of each member is limited to an amount not exceeding HK\$100. As at 30 September 2015, the company had 6 members.

The registered office of the company is located at Unit 1302, 13/F., Shun Tak Centre, 168-200 Connaught Road, Central, Hong Kong.

The main objects of the company are to promote and organise Chinese cultural activities in Hong Kong and to encourage and educate the general public to elevate their awareness and knowledge of Chinese culture.

The company is registered as an approved charitable institution and is exempt from tax under Section 88 of the Hong Kong Inland Revenue Ordinance.

### **2. Basis of preparation and significant accounting policies**

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (HKFRSs), which collectively include all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations 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.

The HKICPA has issued a number of new and revised HKFRSs that are effective for the current accounting period of the company. These new and revised HKFRSs to the extent that they are relevant to the company for the current and prior accounting periods are adopted, applied and reflected in these financial statements, where applicable.

The presentation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

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



**Accounting policies and explanatory notes to the financial statements**

Year ended 30 September 2015

**2. Basis of preparation and significant accounting policies (continued)**

A summary of the significant accounting policies adopted by the company is set out below.

**(a) Revenue recognition**

Revenue is recognised when it is probable that the economic benefits will flow to the company and when the revenue and costs, if applicable, can be measured reliably.

**(b) Cash and cash equivalents**

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

**(c) Provisions and contingent liabilities**

Provisions are recognised for liabilities of uncertain timing or amount when the company has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, the existence of which will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

**3. Revenue**

Revenue recognised during the year are as follows:

	2015 HK\$	2014 HK\$
Sponsorship received for campaign event	10,000	125,000
Donation received	2,117,540	950,000
	<u>2,127,540</u>	<u>1,075,000</u>

**Accounting policies and explanatory notes to the financial statements**

Year ended 30 September 2015

**4. Surplus (deficit) for the year**

Surplus (deficit) for the year has been arrived at after charging:

	2015 HK\$	2014 HK\$
Auditor's remuneration	8,000	7,500

**5. Income tax expense**

The company is an approved charitable institution which is exempted from Hong Kong profits tax.

**6. Financial risk management and fair values**

There is no significant exposure to credit, interest rate, and liquidity risks as the company has no substantial financial instruments outstanding at the end of the reporting period.

All financial instruments are carried at amount not materially different from their fair values as at the end of the reporting period.

**7. Accounting judgements and estimates**

There are no significant effects on amounts recognised in the financial statements arising from the judgements or estimates used by the company.

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

**8. Capital management**

The company is limited by guarantee and has no share capital. The company considers its capital to be the retained surplus. The company's primary objective in managing its retained surplus is to safeguard the company's ability to continue as a going concern, so that it can continue to provide support and protect the interest of its members. Adjustments maybe made to the capital structure in light of changes in economic conditions affecting the company to the extent that these do not conflict with the executive committee members' fiduciary duties towards the company or the requirements of the Hong Kong Companies Ordinance.

There has been no change in the company's capital management practices during the year and the company is not subject to any externally imposed capital requirements.

**Accounting policies and explanatory notes to the financial statements**

Year ended 30 September 2015

**9. Possible impact of amendments, new standards and interpretations issued but not yet effective for the year ended 30 September 2015**

Up to the date of issue of these financial statements, the HKICPA has issued a number of amendments, new standards and interpretations which are not yet effective for the year ended 30 September 2015 and which have not been adopted in these financial statements.

The company is in the process of making an assessment of what the impact of these amendments, new standards and new interpretations is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the company's results of operations and financial position.

**10. Approval of financial statements**

The financial statements were approved and authorised for issue by the executive committee on 9 March 2016.