

ASSOCIATION OF SALESIAN COOPERATORS LIMITED

聖鮑思高慈幼協進會有限公司

**(Incorporated in Hong Kong with Liabilities Limited by
Guarantee and Not Having a Share Capital)**

REPORTS AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020



23101854941
AC
26/07/2021

1152814

CONTENTS

	<u>Pages</u>
Report of the members of the Cooperation Council	1
Independent Auditor's Report	2 - 3
Statement of Income and Expenditures	4
Statement of Financial Position	5
Notes to the Financial Statements	6 - 8

(EXPRESSED IN HONG KONG DOLLARS)

ASSOCIATION OF SALESIAN COOPERATORS LIMITED
聖鮑思高慈幼協進會有限公司
REPORT OF THE MEMBERS OF THE COOPERATORS COUNCIL

The members of the Cooperators Council have pleasure in submitting their report and the audited financial statements for the year ended 30 September 2020.

PRINCIPAL ACTIVITIES

Association of Salesian Cooperators Limited (“the Association”) is a non-profit making and a charitable organization. As Salesian laities, the members set themselves on a path that leads to holiness through on-going spiritual formation and apostolic works. It engaged the living of spirit “**da mihi animas**” initiated by St. John Bosco, founder of the Salesian Society and the Association, to serve the young in need.

BUSINESS REVIEW

In accordance with section 388(3) of the Hong Kong Companies Ordinance (Cap. 622), the Association falls within the reporting exemption for the financial year and therefore it is exempted from preparing a business review.

MEMBERS OF THE COOPERATORS COUNCIL

The members of the Cooperators Council during the year and up to the date of this report are as follows:

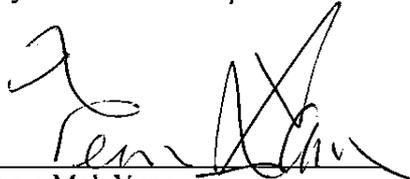
Lam Mok Yung
Shek Wah Beatrice
Ng Tung Yeung
Hui Ka Fai
Choi Cheuk Man
Chong Sau Lai

In accordance with Article 39 and Article 40 of the Association's Articles of Association, all members of the Cooperators Council shall retire and, being eligible, offer themselves for re-election but they shall not hold the same office for three consecutive years.

AUDITOR

The financial statements have been audited by Lui & Cheng CPA Limited who would retire and, being eligible, offer themselves for re-appointment at the forthcoming annual general meeting.

By Order of the Cooperators Council



Lam Mok Yung
Council Member
28 February 2021

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

ASSOCIATION OF SALESIAN COOPERATORS LIMITED 聖鮑思高慈幼協進會有限公司

(Incorporated in Hong Kong with Liability Limited by Guarantee and Not Having a Share Capital)

Opinion

We have audited the financial statements of Association of Salesian Cooperators Limited ("the Association") set out on pages 4 to 8, which comprise the statement of financial position as at 30 September 2020, and the statement of income and expenditures 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 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 ("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 Association in accordance with 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 members of the Cooperators Council ("the members") are responsible for the other information. The other information comprises the information included in the Report of Cooperators Council, 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.

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

The members 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 members of the Cooperators Council determine 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 members 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 members either intend 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.

0094

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
ASSOCIATION OF SALESIAN COOPERATORS LIMITED 聖鮑思高慈幼協進會有限公司**
(Incorporated in Hong Kong with Liability Limited by Guarantee and Not Having a Share Capital)

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. This report is made 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 liability 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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the members.
- Conclude on the appropriateness of the members' 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 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 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.


LUI & CHENG CPA LIMITED
Certified Public Accountants
Hong Kong, 28 February 2021
Cheng Man Kuen, Louisa
Practising Certificate Number: P02953

ASSOCIATION OF SALESIAN COOPERATORS LIMITED
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 30 SEPTEMBER 2020

	Note	2020 \$	2019 \$
REVENUE			
Donations		854,794	463,879
Membership fees		59,250	52,895
Fund raising - Charity sales		600	80,450
Service fund income	5	574,626	263,249
Other income		2,611	22,425
		<u>1,491,881</u>	<u>882,898</u>
LESS: EXPENDITURE			
Activities expenses		817	35,372
Contribution for the Mass		800	8,115
Contribution to World Council		-	12,482
Fund raising expenses		-	90,920
Service fund expense	5	202,235	250,661
Sponsorships		929,599	216,608
Sundry expenses		54,906	44,627
Wedding and funeral expenses		20,348	15,782
		<u>1,208,705</u>	<u>674,567</u>
Surplus for the year		<u>283,176</u>	<u>208,331</u>

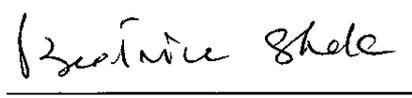
The annexed notes form an integral part of these financial statements.

0096

ASSOCIATION OF SALESIAN COOPERATORS LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2020

	Note	2020 \$	2019 \$
CURRENT ASSETS			
Other receivables		79,000	11,005
Prepayment		-	25,349
Cash and bank balances		<u>1,565,441</u>	<u>1,459,598</u>
		<u>1,644,441</u>	<u>1,495,952</u>
CURRENT LIABILITIES			
Other payables		<u>52,712</u>	<u>95,658</u>
NET ASSETS		<u>1,591,729</u>	<u>1,400,294</u>
FUNDS			
General fund	6	1,235,240	952,064
After-school oratory fund	7	<u>356,489</u>	<u>448,230</u>
		<u>1,591,729</u>	<u>1,400,294</u>


 Lam Mok Yung
 Council member


 Shek Wah Beatrice
 Council member

The annexed notes form an integral part of these financial statements

ASSOCIATION OF SALESIAN COOPERATORS LIMITED

聖鮑思高慈幼協進會有限公司

NOTES TO THE FINANCIAL STATEMENTS

1. REPORTING ENTITY

Association of Salesian Cooperators Limited ("the Association") was incorporated in Hong Kong as a company limited by guarantee and not having a share capital. The Association's address is located at 69B Pokfulam Road, Hong Kong.

The Association is a non-profit making and a charitable organization. As Salesian laities, the members set themselves on a path that leads to holiness through on-going spiritual formation and apostolic works. It engaged the living of spirit "**da mihi animas**" initiated by St. John Bosco, founder of the Salesian Society and the Association, to serve the young in need.

The Association is not authorised to issue share. Under provision 6 of the Association's Memorandum of Association, every member undertakes to contribute to the assets of the Association, in the event of the Association being wound up, to an amount not exceeding the sum of \$100.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The Association qualifies for the reporting exemption as a small guarantee company under section 359(1)(a) of the Hong Kong Companies Ordinance (Cap. 622) and is therefore entitled to prepare and present its financial statements in accordance with the Small and Medium-sized Entity Financial Reporting Standard ("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 Association is a going concern.

The measurement base adopted is the historical cost convention.

2.1 Revenue recognition

Revenue is recognised when no significant uncertainty as to its collectability exists:

- (i) Donation is recognised on cash basis;
- (ii) Membership fee is recognised on cash basis;
- (iii) Activities income is recognised on cash basis;
- (iv) Sales of goods is recognised when the goods are delivered and the risks and rewards of ownership have passed to the customer and
- (v) Interest income is recognised on a time proportion basis taking into account the principal outstanding and the interest applicable.

2.2 Other receivables

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 statement of income and expenditure.

3. REVENUE

Revenue represents donations, membership fees, fund raising charity sales and income for service fund.

ASSOCIATION OF SALESIAN COOPERATORS LIMITED

聖鮑思高慈幼協進會有限公司

NOTES TO THE FINANCIAL STATEMENTS

4. COUNCIL MEMBERS' REMUNERATION

Council members' remuneration disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance is as follows:

	2020 \$	2019 \$
Fees	NIL	NIL
Retirement benefits	NIL	NIL
Other emoluments	<u>NIL</u>	<u>NIL</u>

5. SERVICE FUND INCOME AND EXPENDITURE

	2020 \$	2019 \$
Income		
Donations	551,241	241,900
Fund raising campaign - Sales	23,350	21,276
Bank interest income	<u>35</u>	<u>73</u>
Total income	<u>574,626</u>	<u>263,249</u>
Expenditure		
Activities expenses	15,687	136,147
Contribution for the Mass	500	500
Contribution to Don Bosco Learning Centre	140,000	52,000
Fund raising expenses	13,226	3,228
Sponsorship	22,000	39,000
Wedding and funeral expenses	2,700	3,206
Sundry expenses	<u>8,122</u>	<u>16,580</u>
Total expenditure	<u>202,235</u>	<u>250,661</u>
Surplus for the year	<u>372,391</u>	<u>12,588</u>

6. CHANGES IN GENERAL FUND

	2020 \$	2019 \$
Accumulated surplus at start of year	952,064	743,733
Net surplus for the year	<u>283,176</u>	<u>208,331</u>
Accumulated surplus at end of year	<u>1,235,240</u>	<u>952,064</u>

ASSOCIATION OF SALESIAN COOPERATORS LIMITED

聖鮑思高慈幼協進會有限公司

NOTES TO THE FINANCIAL STATEMENTS

7. CHANGES IN AFTER-SCHOOL ORATORY FUND

The donation designated for the After-school Oratory is recognised in this fund account.

	2020	2019
	\$	\$
Accumulated surplus at start of year	448,230	487,196
Donation received during the year	2,088	64,515
Salary	(88,845)	(98,969)
Spending during the year	<u>(4,984)</u>	<u>(4,512)</u>
Accumulated surplus at end of year	<u>356,489</u>	<u>448,230</u>

8. TAXATION

No Hong Kong profits tax has been provided in the financial statements as the Association is a charitable institution and has been exempted from profits tax under Section 88 of the Inland Revenue Ordinance (“the IRO”).

9. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements on pages 4 to 8 were approved and authorised for issue by the members of the Cooperators Council on 28 February 2021.