

CANOSSA HOSPITAL (CARITAS) MANAGEMENT COMPANY LIMITED

AUDITORS' REPORT

AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2021

李石趙許會計師樓

LEE, SEK, CHIU & HUI

CERTIFIED PUBLIC ACCOUNTANTS  
HONG KONG



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**CANOSSA HOSPITAL (CARITAS) MANAGEMENT COMPANY LIMITED**

**AUDITORS' REPORT**

**AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31ST MARCH, 2021**

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# **CANOSSA HOSPITAL (CARITAS) MANAGEMENT COMPANY LIMITED**

## **REPORT OF THE DIRECTORS**

The Directors have pleasure in submitting their annual report together with the audited financial statements for the year ended 31st March, 2021.

### **PRINCIPAL PLACE OF BUSINESS**

Canossa Hospital (Caritas) Management Company Limited (the "Company") is a non-private company limited by guarantee which was incorporated and domiciled in Hong Kong and its registered office is located at Room 604, Caritas House, 2 Caine Road, Hong Kong.

### **PRINCIPAL ACTIVITIES**

The principal activities of the Company are to manage and operate Canossa Hospital (Caritas) on behalf of Caritas-Hong Kong.

### **FINANCIAL STATEMENTS**

The results of the Company for the year ended 31st March, 2021 and the state of the Company's affairs at that date are set out in the attached financial statements.

### **DIRECTORS**

The Directors of the Company who held office during the financial year and up to date of this report were:-

|                         |                                 |
|-------------------------|---------------------------------|
| But Cheuk Yee, Regina   | (Resigned on 12th March, 2021)  |
| Wong Pui Ling, Virginia | (Appointed on 12th March, 2021) |
| Au Kam Ping, Minnie     |                                 |
| Wong Siu Kau, Goretti   |                                 |
| Yim Tak Lung, Joseph    |                                 |
| To Kwai Fung, Anthony   |                                 |
| Tinsley Helen Mildred   |                                 |

There is no provision in respect of rotation of directors in Article of Association, all directors shall continue to hold office.

### **DIRECTORS' INTERESTS**

No contracts of significance to which the Company was a party and in which a Director had a material interest subsisted at the end of the year or at any time during the year.

At no time during the year the Company was a party to any arrangements to enable the Directors of the Company to acquire benefits by means of acquisition of shares in or debentures of the Company or any other body corporate.

### **PERMITTED INDEMNITY PROVISION**

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

### **BUSINESS REVIEW**

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

### **EQUITY-LINKED ARRANGEMENTS**

During the financial year, the Company entered into no equity-linked agreement.

### **MANAGEMENT CONTRACTS**

No contracts concerning the management and administration of the Company was entered into or existed during the year.

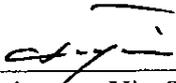
**CANOSSA HOSPITAL (CARITAS) MANAGEMENT COMPANY LIMITED**

**REPORT OF THE DIRECTORS**

**AUDITORS**

The financial statements have been audited by Messrs. Lee, Sek, Chiu & Hui, Certified Public Accountants who retire and being eligible offer themselves for re-appointment.

By Order of the Board



Chairman – Yim Tak Lung, Joseph  
HONG KONG, -7 FEB 2022

**AUDITOR'S REPORT TO THE MEMBERS OF**

**CANOSSA HOSPITAL (CARITAS) MANAGEMENT COMPANY LIMITED**

(Incorporated in Hong Kong and limited by guarantee)

**Opinion**

We have audited the financial statements of Canossa Hospital (Caritas) Management Company Limited set out on pages 5 to 10, which comprise the statement of financial position as at 31st March 2021, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31st March 2021, of its financial performance and its cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards for Private Entities ("HKFRS for Private Entities") 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 ("HKSA") 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 Accountant ("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 directors are responsible for the other information. The other information comprises all information included in the directors' 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.

**AUDITOR'S REPORT TO THE MEMBERS OF**

**CANOSSA HOSPITAL (CARITAS) MANAGEMENT COMPANY LIMITED**

(Incorporated in Hong Kong and limited by guarantee)

**Responsibilities of directors and those charged with governance for the financial statements**

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with HKFRS for Private Entities issued by the HKICPA 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.

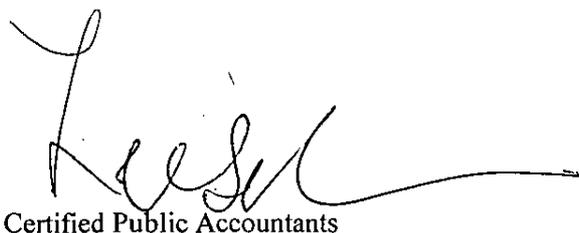
In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

**Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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.

A further description of our responsibilities for the audit of the financial statements is located at HKICPA's website at: "<http://www.hkicpa.org.hk/en/standards-and-regulations/standards/auditing-assurance/auditre/>". This description forms part of our auditor's report.



Certified Public Accountants

HONG KONG, -7 FEB 2022

**CANOSSA HOSPITAL (CARITAS) MANAGEMENT COMPANY LIMITED**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31ST MARCH, 2021**

(Expressed in Hong Kong Dollars)

|                          | <u>Note</u> | <u>2021</u><br>\$ | <u>2020</u><br>\$ |
|--------------------------|-------------|-------------------|-------------------|
| REVENUE                  | 4           | -                 | -                 |
| OTHER REVENUE            |             | 5,000             | 5,000             |
| OTHER OPERATING EXPENSES |             | <u>(4,850)</u>    | <u>(4,955)</u>    |
| SURPLUS FOR THE YEAR     | 5           | <u>150</u>        | <u>45</u>         |

**THE NOTES ON PAGES 9 TO 10 FORM AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS**

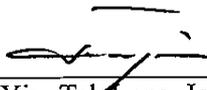
**CANOSSA HOSPITAL (CARITAS) MANAGEMENT COMPANY LIMITED**

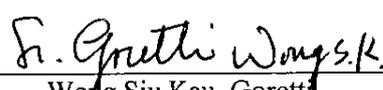
**STATEMENT OF FINANCIAL POSITION AS AT 31ST MARCH, 2021**

(Expressed in Hong Kong Dollars)

|                                     | <u>Note</u> | <u>2021</u><br>\$ | <u>2020</u><br>\$ |
|-------------------------------------|-------------|-------------------|-------------------|
| <b><u>CURRENT ASSETS</u></b>        |             |                   |                   |
| Cash at bank                        |             | 8,705             | 8,555             |
|                                     |             | -----<br>8,705    | -----<br>8,555    |
| <b><u>CURRENT (LIABILITIES)</u></b> |             |                   |                   |
| Accrued expenses                    |             | -----<br>(4,500)  | -----<br>(4,500)  |
| NET ASSETS                          |             | -----<br>4,205    | -----<br>4,055    |
| <br><b><u>REPRESENTED BY:</u></b>   |             |                   |                   |
| ACCUMULATED SURPLUS                 |             | -----<br>4,205    | -----<br>4,055    |

Approved by the Board of Directors - 7 FEB 2022

Director:   
Yim Tak Lung, Joseph

Director:   
Wong Siu Kau, Goretti

**THE NOTES ON PAGES 9 TO 10 FORM AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS**

**CANOSSA HOSPITAL (CARITAS) MANAGEMENT COMPANY LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31ST MARCH, 2021**  
(Expressed in Hong Kong Dollars)

|                      | Accumulated<br><u>Surplus</u><br>\$ | <u>Total</u><br>\$  |
|----------------------|-------------------------------------|---------------------|
| At 31st March, 2019  | 4,010                               | 4,010               |
| Surplus for the year | <u>45</u>                           | <u>45</u>           |
| At 31st March, 2020  | 4,055                               | 4,055               |
| Surplus for the year | <u>150</u>                          | <u>150</u>          |
| At 31st March, 2021  | <u><u>4,205</u></u>                 | <u><u>4,205</u></u> |

**THE NOTES ON PAGES 9 TO 10 FORM AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS**

**CANOSSA HOSPITAL (CARITAS) MANAGEMENT COMPANY LIMITED**

**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED 31ST MARCH, 2021**

(Expressed in Hong Kong Dollars)

|  | <u>2021</u><br>\$ | <u>2020</u><br>\$ |
|--|-------------------|-------------------|
| Surplus for the year   | 150               | 45                |
| Operating surplus before working capital changes             | 150               | 45                |
| Increase in accrued expenses                                 | -                 | 500               |
| Net cash generated from operating activities                 | 150               | 545               |
| <b>Cash flows from investing activities</b>                  | -                 | -                 |
| Net cash (used to) investing activities                      | -                 | -                 |
| <b>Cash flows from financing activities</b>                  | -                 | -                 |
| Net cash generated from financing activities                 | -                 | -                 |
| Net increase in cash and cash equivalents                    | 150               | 545               |
| Cash and cash equivalents at the beginning of the year       | 8,555             | 8,010             |
| <b>Cash and cash equivalents at end of the year (Note A)</b> | <u>8,705</u>      | <u>8,555</u>      |

**A. Cash and cash equivalents**

Cash and cash equivalents consist of cash on hand and balances with banks. Cash and cash equivalents included in the statement of cash flows comprise the following amount:

|              |              |              |
|--------------|--------------|--------------|
|              | \$           | \$           |
| Cash at bank | <u>8,705</u> | <u>8,555</u> |

## CANOSSA HOSPITAL (CARITAS) MANAGEMENT COMPANY LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong Dollars)

#### 1. GENERAL INFORMATION

Canossa Hospital (Caritas) Management Company Limited (the "Company") is a non-private company limited by guarantee which was incorporated in Hong Kong. The Company's registered office is Room 604, Caritas House, 2 Caine Road, Hong Kong. Its principal activities are to manage and operate Canossa Hospital (Caritas) on behalf of Caritas-Hong Kong.

#### 2. SIGNIFICANT ACCOUNTING POLICIES

##### (a) Statement of compliance

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards for Private Entities (HKFRS for Private Entities), which include all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and requirements of the Hong Kong Companies Ordinance.

##### (b) Reporting exemption

The Company falls within exemption for the reporting period under section 359(1) of the Hong Kong Companies Ordinance. Nevertheless, the Directors resolved not to take advantage of the reporting exemption and these financial statements comply with HKFRS for Private Entities. The Directors have acknowledged that, to achieve fair representation of the financial statements, it may be necessary for management to provide disclosures beyond those specifically required by HKFRS for Private Entities.

##### (c) Cash and cash equivalents

Cash and cash equivalents include 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.

##### (d) Taxation

No provision for taxation and deferred tax has been made in the financial statements as the Company is granted an exemption for Hong Kong tax under Section 88 of Inland Revenue Ordinance.

##### (e) Revenue recognition

Revenue is recognised in profit or loss provided it is probable that the economic benefits will flow to the Company and the revenue and costs, if applicable, can be measured reliably, as follows:

##### *Contribution Income*

Contribution income is recognised on an accrual basis.

#### 3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. However, there are no estimates and assumptions used in these financial statements that the directors expect will have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

**CANOSSA HOSPITAL (CARITAS) MANAGEMENT COMPANY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

(Expressed in Hong Kong Dollars)

**4. REVENUE**

The Company has no revenue for the year.

**5. RESULT FROM OPERATIONS**

The operating result is stated after (crediting) and charging: -

|                        | <u>2021</u>  | <u>2020</u>  |
|------------------------|--------------|--------------|
|                        | \$           | \$           |
| Sundry income          | (5,000)      | (5,000)      |
| Auditors' remuneration | <u>4,500</u> | <u>4,500</u> |

**7. FINANCIAL RISK MANAGEMENT**

The Company's business activities expose to liquidity risk arises in the normal course of business. The management manages and monitors these risk exposure to ensure that appropriate measures are implemented on a timely and effective manner to mitigate these risks.

**(a) Liquidity risk**

The Company monitors current and expected liquidity requirements to ensure sufficient cash is maintained.

**(b) Fair value**

All financial assets and liabilities are carried at amounts not materially different from their fair value as at 31st March, 2020 and 2021.

**8. TAXATION**

Under Section 88 of Inland Revenue Ordinance, the Company is a charitable institution or trust of a public character and consequently is exempt from profit tax. Accordingly, no provision for profit tax had been made in these financial statements.

**9. DIRECTORS' REMUNERATION**

Directors' remuneration disclosed pursuant to Section 383(1) of the Hong Kong Companies Ordinance are as follows:-

|                  | <u>2021</u> | <u>2020</u> |
|------------------|-------------|-------------|
|                  | \$          | \$          |
| Fee              | -           | -           |
| Other emoluments | <u>-</u>    | <u>-</u>    |

**10. CONTRIBUTION TO ASSETS BY MEMBERS**

The Company is incorporated under the Companies Ordinance and limited by guarantee.

Under the provisions of the Company's memorandum and articles of association, every member shall, in the event of the Company being wound up, contribute to the assets of the Company to the extent of HK\$100.

(For management purposes only)

**CANOSSA HOSPITAL (CARITAS) MANAGEMENT COMPANY LIMITED**

**DETAILED INCOME STATEMENT**

**FOR THE YEAR ENDED 31ST MARCH, 2021**

(Expressed in Hong Kong Dollars)

|                                       | <u>2021</u><br>\$ | <u>2020</u><br>\$ |
|---------------------------------------|-------------------|-------------------|
| REVENUE                               | <u>-</u>          | <u>-</u>          |
| <u>OTHER REVENUE</u>                  |                   |                   |
| Sundry income                         | <u>5,000</u>      | <u>5,000</u>      |
| <br>                                  |                   |                   |
| LESS: <u>OTHER OPERATING EXPENSES</u> |                   |                   |
| Auditors' remuneration                | 4,500             | 4,500             |
| Sundry expenses                       | <u>350</u>        | <u>455</u>        |
|                                       | <u>4,850</u>      | <u>4,955</u>      |
|                                       | -----             | -----             |
| <br>                                  |                   |                   |
| SURPLUS FOR THE YEAR                  | <u>150</u>        | <u>45</u>         |