

FOODLINK FOUNDATION LIMITED
膳心連基金有限公司

REPORTS AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020



KTC PRIMA CPA LIMITED
匯源和信會計師事務所有限公司
Certified Public Accountants (Practising)
HONG KONG

FOODLINK FOUNDATION LIMITED
DIRECTORS' REPORT

The directors have pleasure in submitting their report together with the audited financial statements of Foodlink Foundation Limited ("the Foundation") for the year ended 31 March 2020.

PRINCIPAL ACTIVITIES

The principal activities of the Foundation are the relief of poverty suffering and distress among poor and necessitous persons by means of re-distribution of abundant food from hotels, restaurants and food retailers and to undertake fund-raising activities.

RESULTS

The results of the Foundation for the year ended 31 March 2020 are set out in the statement of income and retained surplus on page 7.

FIXED ASSETS

Details of the movements during the year in the property, plant and equipment of the Foundation are set out in note 6 to the financial statements.

DIRECTORS

The directors who held office during the year and up to the date of this report were:

Alice DE LA FUENTE SAEZ WONG
Ella E Ling LAU
Kendall Leighton OEI
Kit Yee Kitty SO
Tin Wing Wendy KWOK LEE
Robin HWANG
Sze Ming TSE
Viktor Earl BERGLIND
Wai San Lesley KWOK

In accordance with the Foundation's Articles of Association, all directors retire from office and, being eligible, offer themselves for re-election.

FOODLINK FOUNDATION LIMITED
DIRECTORS' REPORT

DIRECTORS' MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS AND CONTRACTS THAT ARE SIGNIFICANT IN RELATION TO THE FOUNDATION'S BUSINESS

No transactions, arrangement or contracts of significance in relation to the Foundation's business to which the Foundation was a party and in which a director of the Foundation or party/parties connected to a director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

MANAGEMENT CONTRACTS

No contract concerning the management and administration of the whole or any substantial part of the business of the Foundation were entered into or existed during the year.

BUSINESS REVIEW

The Foundation falls within the reporting exemption and is exempted from preparation of a business review in this report in accordance with Section 388(3) and Schedule 5 to the Hong Kong Companies Ordinance.

AUDITORS

The financial statements have been audited by Messrs. KTC Prima CPA Limited who retire and, being eligible, offer themselves for re-appointment.

On behalf of the Board



Robin HWANG
Director

Hong Kong, 26 November 2020

KTC Prima CPA Limited

Certified Public Accountants (Practising)

匯源和信會計師事務所有限公司

Room 501, 502 & 508, 5/F., Mirror Tower,
61 Mody Road, Tsimshatsui East, Kowloon, HKSAR
香港九龍尖沙咀東部麼地道 61 號冠華中心五樓 501, 502 及 508 室

Tel 電話 : (852) 2770 8232
Fax 傳真 : (852) 2770 8378
E-mail 電郵 : Info@ktcprima.hk

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FOODLINK FOUNDATION LIMITED (Incorporated in Hong Kong with limited by guarantee)

Opinion

We have audited the financial statements of Foodlink Foundation Limited ("the Foundation") set out on pages 7 to 18, which comprise the statement of financial position as at 31 March 2020, and the statement of income and retained surplus and the 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 Foundation as at 31 March 2020, and of its financial performance for the year then ended in accordance with Hong Kong Financial Reporting Standard 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 ("HKASAs") 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 Foundation 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.

KTC Prima CPA Limited
Certified Public Accountants (Practising)
匯源和信會計師事務所有限公司

Room 501, 502 & 508, 5/F., Mirror Tower,
61 Mody Road, Tsimshatsui East, Kowloon, HKSAR
香港九龍尖沙咀東部麼地道 61 號冠華中心五樓 501, 502 及 508 室

Tel 電話 : (852) 2770 8232
Fax 傳真 : (852) 2770 8378
E-mail 電郵 : Info@ktcpri.ma.hk

INDEPENDENT AUDITOR'S REPORT (CONT'D)
TO THE MEMBERS OF FOODLINK FOUNDATION LIMITED
(Incorporated in Hong Kong with limited by guarantee)

Other Information

The directors are responsible for the other information. The other information comprises the information included in the report of the directors, 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 Directors and Those Charged with Governance for the Financial Statements

The directors are responsible for the preparation of the 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 Foundation'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 Foundation or to cease operations, or have no realistic alternative but to do so.

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

KTC Prima CPA Limited

Certified Public Accountants (Practising)

匯源和信會計師事務所有限公司

Room 501, 502 & 508, 5/F., Mirror Tower,
61 Mody Road, Tsimshatsui East, Kowloon, HKSAR
香港九龍尖沙咀東部麼地街 61 號冠華中心五樓 501, 502 及 508 室

Tel 電話 : (852) 2770 8232
Fax 傳真 : (852) 2770 8378
E-mail 電郵 : Info@ktcpriima.hk

INDEPENDENT AUDITOR'S REPORT (CONT'D) TO THE MEMBERS OF FOODLINK FOUNDATION LIMITED (Incorporated in Hong Kong with limited by guarantee)

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 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 Foundation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 Foundation'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 Foundation to cease to continue as a going concern.

KTC Prima CPA Limited

Certified Public Accountants (Practising)

匯源和信會計師事務所有限公司

Room 501, 502 & 508, 5/F., Mirror Tower,
61 Mody Road, Tsimshatsui East, Kowloon, HKSAR
香港九龍尖沙咀東部麼地道 61 號冠華中心五樓 501, 502 及 508 室

Tel 電話 : (852) 2770 8232
Fax 傳真 : (852) 2770 8378
E-mail 電郵 : Info@kctprima.hk

**INDEPENDENT AUDITOR'S REPORT (CONT'D)
TO THE MEMBERS OF FOODLINK FOUNDATION LIMITED
(Incorporated in Hong Kong with limited by guarantee)**

Auditor's Responsibilities for the Audit of the Financial Statements (Cont'd)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.



KTC Prima CPA Limited
Certified Public Accountants (Practising)
Hong Kong, 26 November 2020

Kwan Chi Fai
Practising Certificate number P03416

FOODLINK FOUNDATION LIMITED
STATEMENT OF INCOME AND RETAINED SURPLUS
FOR THE YEAR ENDED 31 MARCH 2020

	Note	2020 HK\$	2019 HK\$
REVENUE			
Donation from ordinary operations		1,383,740	2,974,685
Donation from fund raising events		780,046	2,417,647
Donation from The Hong Kong Jockey Club Charities Trust		-	304,446
Funding from the Environment and Conservation Fund		1,975,556	1,703,562
		<u>4,139,342</u>	<u>7,400,340</u>
OTHER INCOME AND GAIN			
Bank interest income		19,968	7,757
Gain on disposal of property, plant and equipment		-	50,000
Interest from debt securities		-	379,045
Sundry income		-	6,800
		<u>19,968</u>	<u>443,602</u>
		<u>4,159,310</u>	<u>7,843,942</u>
UNREALISED EXCHANGE (LOSSES)/GAINS, NET		(308,389)	127,153
PROGRAM EXPENSES		(3,997,759)	(3,750,681)
DEVELOPMENT EXPENSES		(204,537)	(578,695)
ADMINISTRATIVE EXPENSES		(692,740)	(594,824)
LOSS ON INVESTMENT IN DEBT SECURITIES		-	(341,072)
		<u>(1,044,115)</u>	<u>2,705,823</u>
(DEFICIT)/SURPLUS BEFORE TAX	3	(1,044,115)	2,705,823
INCOME TAX EXPENSE	5	-	-
		<u>(1,044,115)</u>	<u>2,705,823</u>
(DEFICIT)/SURPLUS FOR THE YEAR		(1,044,115)	2,705,823
RETAINED SURPLUS AT BEGINNING OF YEAR		8,975,287	9,269,464
TRANSFER TO GENERAL RESERVE		-	(3,000,000)
		<u>7,931,172</u>	<u>8,975,287</u>
RETAINED SURPLUS AT END OF YEAR		<u><u>7,931,172</u></u>	<u><u>8,975,287</u></u>

FOODLINK FOUNDATION LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2020

	Note	2020 HK\$	2019 HK\$
NON-CURRENT ASSETS			
Property, plant and equipment	6	484,113	800,644
CURRENT ASSETS			
Receivables from the Environment and Conservation Fund		1,152,622	963,119
Rental and utilities deposits		80,900	80,900
Prepayment and other receivables		29,065	3,238
Designated bank balances	7	1,398,384	1,182,888
Cash and bank balances	8	13,285,129	13,997,663
		<u>15,946,100</u>	<u>16,227,808</u>
CURRENT LIABILITIES			
Bank overdraft - unsecured	8	(30,561)	-
Other payables and accruals		(468,480)	(53,165)
		<u>(499,041)</u>	<u>(53,165)</u>
NET CURRENT ASSETS		<u>15,447,059</u>	<u>16,174,643</u>
NET ASSETS		<u><u>15,931,172</u></u>	<u><u>16,975,287</u></u>

FOODLINK FOUNDATION LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2020 (CONT'D)

	2020 HK\$	2019 HK\$
RESERVES		
Retained surplus	7,931,172	8,975,287
General reserve	8,000,000	8,000,000
	<hr/>	<hr/>
	15,931,172	16,975,287
	<hr/> <hr/>	<hr/> <hr/>

Approved on behalf of the Board by:



Robin HWANG
Director



Kendall Leighton OEI
Director

FOODLINK FOUNDATION LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2020

	2020 HK\$	2019 HK\$
OPERATING ACTIVITIES		
(Deficit)/surplus before tax	(1,044,115)	2,705,823
Adjustment for:		
Bank interest income	(19,968)	(7,757)
Interest from debt securities	-	(379,045)
Depreciation	356,833	377,253
Loss on investment in debt securities	-	341,072
Gain on disposal of property, plant and equipment	-	(50,000)
OPERATING (LOSS)/GAIN BEFORE CHANGES IN WORKING CAPITAL	(707,250)	2,987,346
Increase in receivables from the Environment and Conservation Fund	(189,503)	(595,577)
Increase in rental and utilities deposits	-	(4,100)
(Increase)/decrease in prepayment and other receivables	(25,827)	54,309
Increase in other payable and accruals	415,315	-
NET CASH (USED IN)/GENERATED FROM OPERATING ACTIVITIES	(507,265)	2,441,978
INVESTING ACTIVITIES		
Interest received	19,968	386,802
Purchases of property, plant and equipment	(40,302)	(762,622)
Purchases of debt securities	-	(6,064,267)
Proceeds on disposal of property, plant and equipment	-	50,000
Proceed from redemption of debt securities	-	16,546,840
NET CASH (USED IN)/GENERATED FROM INVESTING ACTIVITIES	(20,334)	10,156,753
NET CASH GENERATED FROM FINANCING ACTIVITIES	-	-
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(527,599)	12,598,731
CASH AND CASH EQUIVALENTS AT 1 APRIL	15,180,551	2,581,820
CASH AND CASH EQUIVALENTS AT 31 MARCH (note 8)	14,652,952	15,180,551

FOODLINK FOUNDATION LIMITED
ACCOUNTING POLICIES AND
EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

1. GENERAL INFORMATION

Foodlink Foundation Limited ("the Foundation") is incorporated in Hong Kong under the Hong Kong Companies Ordinance. The Foundation's registered office is located at C1 Accounts Department, Hong Kong Parkview, 88 Tai Tam Reservoir Road, Hong Kong. The principal activities of the Foundation are the relief of poverty suffering and distress among poor and necessitous persons by means of re-distribution of abundant food from hotels, restaurants and food retailers and to undertake fund-raising activities.

The Foundation is limited by guarantee and does not have any share capital. Under the provisions of the Foundation's Articles of Association, every member shall, in the event of the Foundation being wound up, contribute to the assets of the Foundation not exceeding HK\$100.

These financial statements are presented in Hong Kong dollars unless otherwise stated.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

These financial statements have been prepared in accordance with the Hong Kong Financial Reporting Standard for Private Entities (HKFRS for Private Entities) issued by the Hong Kong Institute of Certified Public Accountants and the requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention.

Revenue recognition

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

Income from donation is recognised when cash is received.

Funding from the Environment and Conservation Fund is recognised on accrual basis when the relevant project expenditures are reasonable acknowledged by the Environment and Conservation Fund.

Interest income is recognised on a time-proportion basis.

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.

FOODLINK FOUNDATION LIMITED
ACCOUNTING POLICIES AND
EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONT'D)

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Where the Foundation acquires leasehold land for own use under a finance lease, the prepaid cost included in property, plant and equipment on initial recognition represents the fair value of the leasehold land, or if lower, the present value of the minimum lease payments, determined at the inception of the lease and any initial direct costs of the lessee (incremental costs that are directly attributable to negotiating and arranging a lease).

The other cost of such items of property, plant and equipment comprises the following:

- the purchase price, including legal and brokerage fees, import duties and non-refundable purchase taxes, after deducting trade discounts and rebates;
- any costs directly attributable to bringing the asset to the location and condition necessary for them to be capable of operating in the manner intended by management;
- the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Depreciation is charged so as to allocate the cost of assets less their residual values over their estimated useful lives, using the straight-line method. Assets held under finance leases, for which there is no reasonable certainty that the Foundation will obtain ownership at the end of the lease term, are depreciated over their expected useful lives on the same basis as owned assets, or where shorter, the terms of the relevant lease. The following annual rates are used for the depreciation of property, plant and equipment:

Leasehold improvements	20%
Motor vehicles	30%
Office equipment	20%

If there is an indication that there has been a significant change in the depreciation rate, useful life or residual value of an asset, the depreciation of that asset is revised prospectively to reflect the new expectations.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

FOODLINK FOUNDATION LIMITED
ACCOUNTING POLICIES AND
EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONT'D)

Impairment of non-financial assets, other than inventories

At each reporting date, property, plant and equipment, intangible assets, and investments in a subsidiary and an associate are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (group of related assets) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the Foundation. All other leases are classified as operating leases.

Rights to assets held under finance leases are recognised as assets of the Foundation at the fair value of the leased property (or, if lower, the present value of minimum lease payments) at the inception of the lease. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are deducted in measuring profit or loss. Assets held under finance leases are included in property, plant and equipment, and depreciated and assessed for impairment losses in the same way as owned assets.

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease.

Employee benefit obligations

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

FOODLINK FOUNDATION LIMITED
ACCOUNTING POLICIES AND
EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONT'D)

Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statement of each of the entity is measured using the currency of the primary economic environment in which the entity operates (the functional currency). The financial statements are presented in Hong Kong Dollars, which is the Foundation's functional and the Foundation's presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in profit or loss within "finance costs". All other foreign exchange gains and losses are presented in profit or loss within "other income" or "other expenses".

3. (DEFICIT)/SURPLUS BEFORE TAX

The Foundation's (deficit)/surplus before tax is arrived at:

	Note	2020 HK\$	2019 HK\$
After charging the following items:			
Depreciation	6	356,833	377,253
Staff costs (including directors' emoluments)			
Comprising			
- Contributions to defined contribution retirement plan		140,705	112,545
- Salaries, wages and other benefits		3,149,777	2,837,500

FOODLINK FOUNDATION LIMITED
ACCOUNTING POLICIES AND
EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

4.1. DIRECTORS' REMUNERATION

Directors' remuneration disclosed pursuant to section 383(1) of the Companies Ordinance is as follows:

	2020 HK\$	2019 HK\$
Fees	-	-
Other emoluments	-	-
	-	-

4.2. EMPLOYEE BENEFIT OBLIGATION-LONG-SERVICE PAYMENTS

The Foundation operates a Mandatory Provident Fund Scheme (the MPF scheme) under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance and not previously covered by the defined benefit retirement plan. The MPF scheme is a defined contribution retirement plan administered by independent trustees. Under the MPF scheme, the employer and its employees are each required to make contributions to the plan at 5% of the employees' relevant income, subject to a cap of monthly relevant income of HK\$30,000. Contributions to the plan vest immediately.

5. INCOME TAX EXPENSE

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

FOODLINK FOUNDATION LIMITED
ACCOUNTING POLICIES AND
EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

6. PROPERTY, PLANT AND EQUIPMENT

	Leasehold improvements HK\$	Motor vehicles HK\$	Office equipment HK\$	Total HK\$
COST				
At 1 April 2019	275,350	1,498,983	256,731	2,031,064
Additions	-	-	40,302	40,302
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2020	275,350	1,498,983	297,033	2,071,366
	<hr/>	<hr/>	<hr/>	<hr/>
ACCUMULATED DEPRECIATION				
At 1 April 2019	55,070	1,099,691	75,659	1,230,420
Depreciation for the year	55,070	246,334	55,429	356,833
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2020	110,140	1,346,025	131,088	1,587,253
	<hr/>	<hr/>	<hr/>	<hr/>
NET CARRYING AMOUNT				
At 31 March 2020	165,210	152,958	165,945	484,113
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 March 2019	220,280	399,292	181,072	800,644
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

FOODLINK FOUNDATION LIMITED
ACCOUNTING POLICIES AND
EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

7. DESIGNATED BANK BALANCES

The bank balances are designated solely for the purpose to carry out the Environment and Conservation Fund Waste Reduction Projects – “ Foodlink Operations Sustainability Project Extension in time and area”.

8. CASH AND CASH EQUIVALENTS

	Note	2020 HK\$	2019 HK\$
Designated bank balances	7	1,398,384	1,182,888
Cash and bank balances		13,285,129	13,997,663
Bank overdraft - unsecured		(30,561)	-
		<hr/>	<hr/>
		14,652,952	15,180,551
		<hr/> <hr/>	<hr/> <hr/>

FOODLINK FOUNDATION LIMITED
ACCOUNTING POLICIES AND
EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

9. OPERATING LEASE COMMITMENTS

The Foundation rent offices premise under operating leases. The leases are for an average period of two years, with fixed rentals over the same period.

	2020 HK\$	2019 HK\$
Minimum lease payments under operating leases recognised as an expense during the year	312,000	307,610

At the year-end, the Foundation had outstanding commitments under non-cancellable operating leases that fall due as follows:

	2020 HK\$	2019 HK\$
Within one year	148,306	312,000
Later than one year but within five years	-	148,306
Later than five years	-	-
	<u>148,306</u>	<u>460,306</u>

10. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were authorised for issue by the Foundation's Board of Directors on 26 November 2020.