

**DADS NETWORK LIMITED**  
**REPORTS AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2021**



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**(EXPRESSED IN THE NEAREST HONG KONG DOLLARS)**

**DADS NETWORK LIMITED**  
**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED MARCH 31, 2021**

The directors submit their annual report together with the audited financial statements for the year ended March 31, 2021.

**PRINCIPAL ACTIVITIES**

The principal activities of the company are to promote active fathering lifestyle and serve fathers and father figures in Hong Kong as a way to build a stronger Hong Kong.

**DIRECTORS**

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

Mr. Ha Wing On, Allen  
Mr. Matthew Alexander Pine

In accordance with the Articles of Association, directors appointed by ordinary resolution hold office for an unlimited period of time while directors appointed by decision of the directors retire from office at the next annual general meeting following the appointment, but retiring directors are eligible for reappointment to the office.

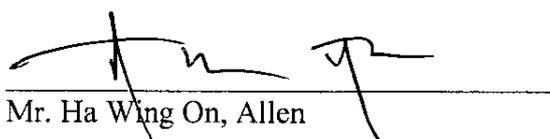
**PERMITTED INDEMNITY PROVISION**

A permitted indemnity provision for the benefit of the directors of the company is currently in force and was in force throughout the year.

**AUDITORS**

Philip Poon & Partners CPA Limited are the company's retiring auditors who, being eligible, offer themselves for re-appointment.

FOR AND ON BEHALF OF THE BOARD

  
Mr. Ha Wing On, Allen

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Hong Kong  
December 31, 2021



**INDEPENDENT AUDITOR'S REPORT**

**TO THE MEMBERS OF**

**DADS NETWORK LIMITED**

**(Incorporated in Hong Kong and limited by guarantee)**

**Opinion**

We have audited the financial statements of DADs Network Limited (“the Company”) set out on pages 6 to 11, which comprise the statement of financial position as at March 31, 2021, and the income statement and the statement of changes in funds 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 Company are prepared, in all material respects, in accordance with the 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 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 Company 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.

...../To be continued



**INDEPENDENT AUDITOR'S REPORT**

**TO THE MEMBERS OF**

**DADS NETWORK LIMITED**

**(Incorporated in Hong Kong and limited by guarantee)**

...../Continued

**Other information**

The directors are responsible for the other information. The other information comprises the 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.

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

The directors 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 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.

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**INDEPENDENT AUDITOR'S REPORT**

**TO THE MEMBERS OF**

**DADS NETWORK LIMITED**

**(Incorporated in Hong Kong and limited by guarantee)**

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**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 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

...../To be continued



**INDEPENDENT AUDITOR'S REPORT**

**TO THE MEMBERS OF**

**DADS NETWORK LIMITED**

**(Incorporated in Hong Kong and limited by guarantee)**

...../Continued

**Auditor's responsibilities for the audit of the financial statements (continued)**

- 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 Company'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 Company 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.

Certified Public Accountants  
Hong Kong  
December 31, 2021

Philip Poon & Partners CPA Limited  
Mr. Poon Chin Chung, Philip  
Practising Certificate No.: P01748

**DADS NETWORK LIMITED**

**INCOME STATEMENT**

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

|   | <u>2021</u>      | <u>2020</u>      |
|---|------------------|------------------|
|   | <u>\$</u>        | <u>\$</u>        |
| <b><u>Income</u></b>                        |                  |                  |
| Donation income                             | 48,062           | 166,000          |
| Event income                                | 21,000           | 6,000            |
| Grants from                                 |                  |                  |
| - Community Involvement Broadcasting Fund   | --               | 96,000           |
| - Community Investment and Inclusion Fund   | 857,000          | 514,200          |
| - Environment and Conservation Fund         | 198,120          | 234,150          |
| - The Ping Wo Fund                          | 72,375           | --               |
| - Family Council Project                    | 276,084          | --               |
| - Commission on Children                    | 240,000          | --               |
| - The D.H. Chen Foundation                  | 468,036          | --               |
| - Lee Kum Kee Family Foundation             | 378,000          | --               |
| Other income                                | --               | 32,000           |
| Interest income                             | --               | 33               |
| Subsidy under the Employment Support Scheme | 35,100           | --               |
|   | <u>2,593,777</u> | <u>1,048,383</u> |
|   | -----            | -----            |
| <b><u>Expenditure</u></b>                   |                  |                  |
| Accounting fee                              | 6,000            | 6,000            |
| Advertising and promotion                   | 1,120            | 11,246           |
| Auditors' remuneration                      | 26,000           | 24,000           |
| Bank charges                                | 3,992            | 1,852            |
| Bank overdraft interest                     | 373              | 111              |
| Computer expenses                           | 4,325            | 236              |
| Courier                                     | 1,111            | 30               |
| Event costs                                 | 192,718          | 247,750          |
| Furniture and equipment                     | --               | 17,116           |
| Insurance                                   | 9,395            | 7,958            |
| MPF contribution                            | 53,811           | 25,002           |
| Printing and stationery                     | 11,232           | 1,564            |
| Programme expenses                          | 5,238            | 2,109            |
| Rent  | 202,000          | 33,167           |

**DADS NETWORK LIMITED**  
**INCOME STATEMENT**  
**FOR THE YEAR ENDED MARCH 31, 2021**

|                                | <u>2021</u>      | <u>2020</u>    |
|--------------------------------|------------------|----------------|
|                                | \$               | \$             |
| <u>Expenditure (continued)</u> |                  |                |
| Salaries                       | 1,248,517        | 580,628        |
| Secretarial service fee        | --               | 2,650          |
| Sundry expenses                | 14,917           | 4,332          |
| Telephone                      | 2,497            | 1,236          |
| Transportation                 | 750              | 435            |
| Translation fee                | 6,600            | --             |
|                                | <u>1,790,596</u> | <u>967,422</u> |
|                                | <u>803,181</u>   | <u>80,961</u>  |
| Surplus for the year           |                  |                |

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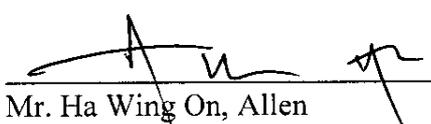
The notes on pages 10 to 11 form part of these financial statements.

**DADS NETWORK LIMITED**

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

|                                       | <u>NOTE</u> | <u>2021</u><br>\$ | <u>2020</u><br>\$ |
|---------------------------------------|-------------|-------------------|-------------------|
| CURRENT ASSETS                        |             |                   |                   |
| Bank balances and cash                |             | 923,991           | 213,868           |
|                                       |             | -----             | -----             |
| CURRENT LIABILITIES                   |             |                   |                   |
| Accruals                              |             | 17,500            | 110,558           |
| Amount due to a director              | 5           | 90,000            | 90,000            |
|                                       |             | -----             | -----             |
|                                       |             | 107,500           | 200,558           |
|                                       |             | -----             | -----             |
| NET CURRENT ASSETS                    |             | 816,491           | 13,310            |
|                                       |             | -----             | -----             |
| TOTAL ASSETS LESS CURRENT LIABILITIES |             | 816,491           | 13,310            |
|                                       |             | =====             | =====             |
| FINANCED BY                           |             |                   |                   |
| General fund                          |             | 816,491           | 13,310            |
|                                       |             | =====             | =====             |

Approved and authorised for issue by the board of directors on December 31, 2021

  
Mr. Ha Wing On, Allen

  
Mr. Matthew Alexander Pine

The notes on pages 10 to 11 form part of these financial statements.

**DADS NETWORK LIMITED**  
**STATEMENT OF CHANGES IN FUNDS**  
**FOR THE YEAR ENDED MARCH 31, 2021**

|                              | <u>General fund</u> |
|------------------------------|---------------------|
|                              | <u>\$</u>           |
| Balance at beginning of year | 13,310              |
| Surplus for the year         | 803,181             |
|                              | <hr/>               |
| Balance at end of year       | 816,491             |
|                              | <hr/> <hr/>         |

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The notes on pages 10 to 11 form part of these financial statements.

**DADS NETWORK LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2021**

**1. GENERAL INFORMATION**

The company is incorporated in Hong Kong and limited by guarantee. The address of its registered office is 3/F., Hub 8, 239 Temple Street, Hung Hom, Kowloon, Hong Kong.

The principal activities of the company are to promote active fathering lifestyle and serve fathers and father figures in Hong Kong as a way to build a stronger Hong Kong.

**2. BASIS OF PREPARATION**

The company qualifies for the reporting exemption as a small guarantee company under section 359(1)(a) of the Hong Kong Companies Ordinance. The company 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 company is a going concern.

The measurement base adopted is the historical cost convention.

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The following are the specific accounting policies that are necessary for a proper understanding of the financial statements:

(a) Revenue

Revenue is recognised when it is probable that the economic benefits will flow to the company and when the revenue can be measured reliably, on the following bases:

- (i) donation income is recognised on a cash receipt basis;
- (ii) event income is recognised when the events are completed;
- (iii) government grants are recognised when they are granted; and
- (iv) interest income is recognised on a time proportion basis taking into account the principal outstanding and the interest rates applicable.

**DADS NETWORK LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

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

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

(b) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset which necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

**4. TAXATION**

No provision has been made for Hong Kong Profits Tax as the company is a charitable organisation exempted from tax under section 88 of the Inland Revenue Ordinance.

**5. AMOUNT DUE TO A DIRECTOR**

The amount due to a director is unsecured, interest free and has no fixed repayment term.

**6. BENEFITS AND INTERESTS OF DIRECTORS**

Directors' remuneration

None of the directors received or will receive any fees or emoluments in respect of their service to the company during the year (2020: Nil).