

PLAYRIGHT CHILDREN'S PLAY ASSOCIATION
智樂兒童遊樂協會

REPORTS AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

PLAYRIGHT CHILDREN'S PLAY ASSOCIATION
智樂兒童遊樂協會

REPORTS AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

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PLAYRIGHT CHILDREN'S PLAY ASSOCIATION

智樂兒童遊樂協會

EXECUTIVE COMMITTEE'S REPORT

The executive committee presents its annual report and the audited financial statements of Playright Children's Play Association (the "Association") for the year ended 31 March 2020.

PRINCIPAL ACTIVITIES

The principal activities of the Association are to advocate the value of play through the provision of a variety of services including Play Environments and Safety Service, Hospital Play Service, Play Training and Development, PlayScope, Play Outreach, Toy Library and other play development projects.

RESULTS OF THE ASSOCIATION

The results of the Association as at 31 March 2020 are set out in the statement of financial position on page 7.

EXECUTIVE COMMITTEE MEMBERS

The executive committee members ("Elected Members") during the year and up to the date of this report are:

Ms. Anita Ma Wai-man	Chairperson
Dr. Victor Koong Hing-yeung	Co-Vice chairperson
Dr. Yvonne Beatrix Becher	Co-Vice chairperson (appointed on 13 December 2019)
Mr. Patrick Lee Pak-hang	Honorary Treasurer
Ms. Sansan Ching Teh-chi	Member
Ms. Annie Lam Sau-ha	Member
Ms. Susanna Lee Wai-yee	Member
Ms. Amy Liu Tam Yuen-king, JP	Member
Dr. Gigi Pang Che-kwan	Member
Mr. Paul Chan Yuen-king	Member
Ms. Lancy Chui Yuk-shan	Member (appointed on 13 December 2019)
Ms. Elina Lee Kar-Li	Member (appointed on 13 December 2019)
Ms. Joanna Hotung	Member (resigned on 13 December 2019)
Ms. Bessie Kwan Nga-yin	Member (resigned on 13 December 2019)
Ms. Vivian Li Wing-yin	Member (resigned on 13 December 2019)
Ar. Joseph Kwan Kwok-lok, MH	Member (resigned on 13 December 2019)
Mr. Ho Kam-fai	Member (resigned on 13 December 2019)
Dr. Chow Chun-bong, BBS, JP	Member (resigned on 13 December 2019)

In accordance with Article 37 of the Association's Articles of Association, the term of office of any Elected Members shall be 3 years. The Elected Members shall retire from their office after serving 2 consecutive terms except that any Executive Committee Member who has served or is serving as an Office Bearer of the Association may, for once in his/her lifetime, serve one additional term of three years immediately after serving two consecutive terms as an Executive Committee Member. An Elected Member shall be eligible for re-election one year after he/she has served two consecutive terms, Dr. Gigi Pang Che-kwan, Ms. Amy Liu Tam Yuen-king, JP, Ms. Susanna Lee Wai-yee, Ms. Annie Lam Sau-ha will retire at the forthcoming annual general meeting. Ms. Anita Ma Wai-man will retire but subject to re-elect in forthcoming meeting.

PLAYRIGHT CHILDREN'S PLAY ASSOCIATION
智樂兒童遊樂協會

EXECUTIVE COMMITTEE'S REPORT

(Continued)

MANAGEMENT CONTRACT

No contract concerning the management and administration of the whole or any substantial part of the business of the Association was entered into or existed at any time during the year.

PERMITTED INDEMNITY PROVISION

At no time during the financial year and up to the date of this report, was any permitted indemnity provision being in force for the benefit of any of the executive committee members (whether made by the Association or otherwise) or an associated Association (if made by the Association).

AUDITOR

The financial statements for the year have been audited by SHINEWING (HK) CPA Limited, who retire and, being eligible, offer themselves for re-appointment.

On behalf of the executive committee



Ms. Anita Ma Wai-man
Chairperson

Hong Kong
28 December 2020

INDEPENDENT AUDITOR'S REPORT



SHINEWING (HK) CPA Limited
43/F., Lee Garden One
33 Hysan Avenue
Causeway Bay, Hong Kong

TO THE MEMBERS OF
PLAYRIGHT CHILDREN'S PLAY ASSOCIATION
智樂兒童遊樂協會
(incorporated in Hong Kong and limited by guarantee)

Opinion

We have audited the financial statements of Playright Children's Play Association ("the Association") set out on pages 6 to 16, which comprise the statement of financial position as at 31 March 2020, and the income and expenditure account 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 the Hong Kong Small and Medium-Sized Entity Financial Reporting Standard (the "SME-FRS") issued by the Hong Kong Institute of Certified Public Accountants (the "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 (the "HKSAs") and with reference to PN 900 (Revised) Audit of Financial Statements Prepared in Accordance with the SME-FRS 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 the HKICPA's Code of Ethics for Professional Accountants (the "Code"), and we have fulfilled our other 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 executive committee members are responsible for the other information. The other information comprises the information included in the executive committee's 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.

INDEPENDENT AUDITOR'S REPORT



SHINEWING (HK) CPA Limited
43/F., Lee Garden One
33 Hysan Avenue
Causeway Bay, Hong Kong

Responsibilities of Executive Committee Members for the Financial Statements

The executive committee 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 executive committee members 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 executive committee 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 executive committee members either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

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 our agreed terms of engagement, 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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the executive committee members.

INDEPENDENT AUDITOR'S REPORT



SHINEWING (HK) CPA Limited
43/F., Lee Garden One
33 Hysan Avenue
Causeway Bay, Hong Kong

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

- Conclude on the appropriateness of the executive committee 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 who are responsible for overseeing the Association's financial reporting process 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.

SHINEWING (HK) CPA Limited
Certified Public Accountants
Chan Wing Kit
Practising Certificate Number: P03224

Hong Kong
28 December 2020
kc/vf/rlhy

PLAYRIGHT CHILDREN'S PLAY ASSOCIATION
智樂兒童遊樂協會

INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2020

	<u>NOTES</u>	<u>2020</u> <u>HK\$</u>	<u>2019</u> <u>HK\$</u> (restated)
Income			
Designated donations			
The Marden Foundation Limited	(6)	474,208	430,623
The Community Chest			
- Baseline allocations		2,686,000	2,527,730
- Time Limited Project	(5)	955,118	636,299
Mr. and Mrs. Ho Yau Lung		667,543	757,031
Chen Yet Sen Family Foundation		21,060	49,140
The Great Eagle Company Limited		132,387	451,052
Hong Kong International Theme Park Limited		568,728	507,878
Lichi Charitable Foundation Limited		540,585	484,541
Porticus Asia Limited		43,142	426,486
UBS Optimus Foundation		11,103	184,249
Coca-cola Foundation		49,424	725,974
The Hong Kong Jockey Club Charities Trust		6,798,711	2,102,916
The UPS Foundation		495	133,022
Hong Kong Committee for UNICEF		509,401	443,498
Hong Kong Children in Need Foundation		260,000	-
Simon KY Lee Foundation Limited		584,318	-
Friends of Asia		-	869,129
HSBC Community Partnership Programme		-	427,081
JA Wealth Management Limited		-	100,000
Operation Santa Claus		-	804,329
HSBC Trustee (Hong Kong) Limited		-	115,281
Wai Yin Association		-	300,000
Other donations			
Fund raising activities		2,142,399	1,190,218
Others		153,825	172,534
		<hr/>	<hr/>
Total donations		16,598,447	13,839,011
Consultancy, workshop and training fees		10,419,388	7,436,548
Interest income		132,580	70,440
Membership fees		777,975	793,950
Other income		8,794	37,701
		<hr/>	<hr/>
		27,937,184	22,177,650
Expenditure			
Employee benefit expenses	(7)	19,817,243	14,307,663
Auditor's remuneration		6,000	6,000
Professional fee		74,480	56,300
Depreciation	(10)	479,131	432,907
Operating lease rentals - office premises		829,122	894,925
Program operating expenses		4,193,273	4,080,187
Others		1,651,766	1,255,820
		<hr/>	<hr/>
		27,051,015	21,033,802
		<hr/>	<hr/>
Surplus for the year		886,169	1,143,848

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

PLAYRIGHT CHILDREN'S PLAY ASSOCIATION
智樂兒童遊樂協會

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2020

	<u>NOTES</u>	<u>2020</u> HK\$	<u>2019</u> HK\$ (restated)
Assets			
Non-current asset			
Property, plant and equipment	(10)	12,558,119	12,392,190
Current assets			
Accounts receivable		2,358,710	1,183,908
Other receivables and prepayment		6,390,956	3,946,619
Bank balances and cash		14,476,284	13,308,518
		<u>23,225,950</u>	<u>18,439,045</u>
Total assets		<u>35,784,069</u>	<u>30,831,235</u>
Reserve		<u>13,781,179</u>	<u>12,895,010</u>
Liabilities			
Current liabilities			
Creditors and accrued expenses		2,260,571	2,205,076
Receipts in advance	(11)	7,691,107	3,543,554
		<u>9,951,678</u>	<u>5,748,630</u>
Non-current liabilities			
Receipts in advance	(11)	11,715,571	11,951,194
Provision for long service payments	(12)	335,641	236,401
		<u>12,051,212</u>	<u>12,187,595</u>
Total reserve and liabilities		<u>35,784,069</u>	<u>30,831,235</u>

The financial statements on pages 6 to 16 were approved and authorised for issue by the executive committee on 28 December 2020 and are signed on its behalf by:



Ms. Anita Ma Wai-man
Executive Committee Member



Mr. Patrick Lee Pak-hang
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.

PLAYRIGHT CHILDREN'S PLAY ASSOCIATION

智樂兒童遊樂協會

STATEMENT OF CHANGES IN RESERVE

FOR THE YEAR ENDED 31 MARCH 2020

	HK\$
At 1 April 2019, as originally stated	25,301,827
Effect of prior year adjustments (note (3))	<u>(12,406,817)</u>
At 1 April 2019, as restated	12,895,010
Surplus for the year	<u>886,169</u>
At 31 March 2020	<u>13,781,179</u>

Note:

The reserve can be freely used by the Association. It can be used for daily operation and unanticipated incidence such as a sudden increase in expenses, unanticipated on-time expenses, loss of funds or uninsured losses. On the approval of executive committee members, some amounts can be set aside for specific purposes in achieving the Association's mission.

PLAYRIGHT CHILDREN'S PLAY ASSOCIATION
智樂兒童遊樂協會

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

1. GENERAL INFORMATION

The Association is incorporated under the Hong Kong Companies Ordinance and limited by guarantee. Under the provisions of the Association's Articles of Association, every member shall, in the event of the Association being wound up, contribute to the assets of the Association to the extent of HK\$100 and no part of the assets or surplus of the Association shall be paid or distributed to the members. At 31 March 2020, the Association had 62 (2019: 65) members.

The Association advocates the value of play through the provision of a variety of services including Play Environments and Safety Service, Hospital Play Service, Play Training and Development, Playscope, Play Outreach, Toy Library and other development projects.

The address of the registered office of the Association is 18A, Block F, 3 Lok Man Road, Chai Wan.

2. BASIS FOR PREPARATION OF FINANCIAL STATEMENTS

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

3. PRIOR YEAR ADJUSTMENTS

Total reserve includes surplus from donations, interest received on bank deposits and other fundraising incomes which has not been spent for projects. To better reflect the reserve level as common practice in non-governmental organisation, the executive committee members have approved to update the reserve policy to reclassify the donation received for acquisition of land and buildings and leasehold improvement (the "Assets") from the Marden Foundation Limited to receipts in advance.

The reserve, originally stated as at 31 March 2018 and 31 March 2019 included donations totalling HK\$12,057,440 and HK\$1,000,000 (only HK\$780,000 included in reserve) respectively which was received as at 31 March 2018 and 31 March 2019 for the acquisition of Assets, will retrospectively reclassify to receipts in advance. These reclassified receipts in advance will be recognised to income throughout the life of the Assets, which will be the same as the depreciation of the Assets amounted to HK\$430,623 and HK\$25,000 each year started from the year ended 31 March 2019 and 31 March 2020 for land and buildings and leasehold improvement respectively. The amount of receipts in advance for acquisition of Assets will be fully recognised to income for the lives of the Assets in the year of 2047 and 2059 respectively.

PLAYRIGHT CHILDREN'S PLAY ASSOCIATION
智樂兒童遊樂協會

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

3. PRIOR YEAR ADJUSTMENTS (Continued)

Analysis of the effects of the change in accounting policy in surplus for the years by line items presented according to their function:

	<u>2019</u> HK\$	<u>2018</u> HK\$
Decrease in designated donations and decrease in surplus for the year	<u>349,377</u>	<u>12,057,440</u>

The cumulative effects of the change in accounting policy on the statement of financial position at 31 March 2018 and 1 April 2018 are summarised below:

	<u>As at 31/3/2018 (originally stated)</u> HK\$	<u>For the year ended 31/3/2018 adjustments</u> HK\$	<u>As at 1/4/2018 (restated)</u> HK\$
Total assets	<u>29,829,369</u>	<u>-</u>	<u>29,829,369</u>
Funds			
Total funds reserve	23,808,602	(12,057,440)	11,751,162
Liabilities			
Current liabilities			
Creditors and accrued expenses	1,805,642	-	1,805,642
Receipts in advance	3,971,940	430,623	4,402,563
Non-current liabilities			
Receipts in advance	-	11,626,817	11,626,817
Provision for long service payments	243,185	-	243,185
	<u>29,829,369</u>	<u>-</u>	<u>29,829,369</u>

PLAYRIGHT CHILDREN'S PLAY ASSOCIATION
智樂兒童遊樂協會

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

3. PRIOR YEAR ADJUSTMENTS (Continued)

The cumulative effects of the application on the financial position at 31 March 2019 and 1 April 2019 are summarised below:

	As at 31/3/2019 (originally stated) HK\$	For the year ended 31 March 2018 adjustments HK\$	For year ended 31 March 2019 adjustments HK\$	Total adjustments HK\$	As at 1/4/2019 (restated) HK\$
Total assets	30,831,235	-	-	-	30,831,235
Reserve	25,301,827	(12,057,440)	(349,377)	(12,406,817)	12,895,010
Liabilities					
Current liabilities					
Creditors and accrued expenses	2,205,076	-	-	-	2,205,076
Receipts in advance	3,087,931	430,623	25,000	455,623	3,543,554
Non-current liabilities					
Receipts in advance	-	11,626,817	324,377	11,951,194	11,951,194
Provision for long service payments	236,401	-	-	-	236,401
	30,831,235	-	-	-	30,831,235

PLAYRIGHT CHILDREN'S PLAY ASSOCIATION

智樂兒童遊樂協會

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

4. SIGNIFICANT ACCOUNTING POLICIES

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

(a) Revenue recognition

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

- (i) Designated donations are initially recognised in receipts in advance when the right to receive payment is established and are released to the income and expenditure account so as to match the subsequent relevant expenditure. Other donations are recognised when the right to receive payment is established.
- (ii) Consultancy, workshop and training fees are recognised when services are rendered to participants.
- (iii) Interest income is accrued on a time basis, taking into account the principal amounts outstanding and interest rates applicable.
- (iv) Membership fees are recognised when they are received.

(b) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

The depreciable amount of an item of property, plant and equipment is allocated on a systematic basis over its estimated useful life using the straight-line method. The principal annual rates used for depreciation are as follows:

Land and buildings	shorter of the unexpired term of lease or 50 years
Furniture and fixtures	20.0%
Leasehold improvement	2.5%
Office equipment	20.0%

(c) Impairment of assets

An assessment is made at each reporting period to determine whether there is any indication of impairment or reversal of previous impairment including items of property, plant and equipment. In the event that an asset's carrying amount exceeds its recoverable amount, the carrying amount is reduced to recoverable amount and impairment loss is recognised in the income and expenditure account. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount, however not to an amount higher than the carrying amount that would have been determined (net of depreciation), had no impairment losses been recognised for the asset in prior years.

PLAYRIGHT CHILDREN'S PLAY ASSOCIATION

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Accounts receivable

Accounts receivable 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 income and expenditure account.

(e) Foreign exchange

The reporting currency of the Association is Hong Kong Dollars, which is the currency of the primary economic environment in which the Association operates.

(f) Leases

Leases where substantially all the risks and rewards of ownership of assets are not transferred to the lessee are accounted for as operating leases. Annual rents applicable to such operating leases are charged to the income and expenditure account on a straight-line basis over the lease term.

5. TIME LIMITED PROJECT

Income from the Community Chest for the Time Limited Project (the "Project") is recognised on accrual basis.

Up to 31 March 2020, the Association recognised an accumulated cost for the Project amounted to HK\$3,914,727 (2019: HK\$2,989,387) and the income recognised for the year amounted to HK\$955,118 (2019: HK\$636,299).

The expenses incurred during the year related to the Project included employee benefit expenses, program operating expenses and others amounted to HK\$710,610, HK\$167,067 and HK\$47,663 (2019: HK\$589,622, HK\$33,186 and HK\$13,491) respectively.

As at 31 March 2020, the Association received a total reimbursement from the Community Chest for the Project amounted to HK\$3,446,925 (2019: HK\$2,624,302). The remaining receivable of income is included in accounts receivable amounted to HK\$467,802 (2019: HK\$365,085).

6. DONATION FROM THE MARDEN FOUNDATION LIMITED

On 31 March 2019, The Marden Foundation Limited in which Ms. Anne Marden, BBS, JP, the Honorary President, has indirect interest, donated HK\$1,000,000 to the Association. The donation was used for the leasehold improvement of HK\$760,830 and the related expenditures of HK\$19,170, and the remaining of HK\$220,000 was not yet used (2020: not applicable).

PLAYRIGHT CHILDREN'S PLAY ASSOCIATION

智樂兒童遊樂協會

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

7. EMPLOYEE BENEFIT EXPENSES

	<u>2020</u> HK\$	<u>2019</u> HK\$
Salaries and allowances	18,052,733	13,282,997
Contributions to the Mandatory Provident Fund (the "MPF") Scheme	850,187	597,931
Other employee benefits	719,687	737,510
Provision for / (release of) long service payments	99,240	(6,785)
Provision for / (release of) unutilised annual leave	95,396	(303,990)
	<u>19,817,243</u>	<u>14,307,663</u>

8. KEY MANAGEMENT COMPENSATION

- (a) Key management compensation included in employee benefit expenses is analysed as follows:

	<u>2020</u> HK\$	<u>2019</u> HK\$
Salaries and allowances	1,058,508	1,009,096
Contributions to the MPF Scheme	52,925	50,455
	<u>1,111,433</u>	<u>1,059,551</u>

- (b) None of the executive committee members received or will receive any fee or other emolument in respect of their services to the Association for the years ended 31 March 2020 and 2019.

9. TAXATION

No Hong Kong Profits Tax has been provided for in the financial statements as the Association is exempted from Hong Kong Profits Tax pursuant to Section 88 of the Hong Kong Inland Revenue Ordinance.

PLAYRIGHT CHILDREN'S PLAY ASSOCIATION
智樂兒童遊樂協會

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

10. PROPERTY, PLANT AND EQUIPMENT

	Land and buildings	Furniture and fixtures	Leasehold improvement	Office equipment	Total
	HK\$	HK\$	HK\$	HK\$	HK\$
At 1 April 2019	12,057,440	8,500	766,335	51,583	12,883,858
Additions	-	-	527,653	117,407	645,060
At 31 March 2020	12,057,440	8,500	1,293,988	168,990	13,528,918
ACCUMULATED DEPRECIATION					
At 1 April 2019	430,623	8,500	965	51,580	491,668
Charge for the year	430,623	-	32,349	16,159	479,131
At 31 March 2020	861,246	8,500	33,314	67,739	970,799
NET CARRYING AMOUNTS					
At 31 March 2020	11,196,194	-	1,260,674	101,251	12,558,119
At 31 March 2019	11,626,817	-	765,370	3	12,392,190

11. RECEIPTS IN ADVANCE

	2020 HK\$	2019 HK\$ (restated)
Donated from:		
The Marden Foundation Limited	13,416,194	12,645,402
Other donors	5,990,484	2,849,346
	<u>19,406,678</u>	<u>15,494,748</u>
Analysis for reporting purpose:		
Non-current	11,715,571	11,951,194
Current	7,691,107	3,543,554
	<u>19,406,678</u>	<u>15,494,748</u>

Receipts in advance represents donation income received from the Marden Foundation Limited amounted to HK\$12,416,194 (2019: HK\$11,645,402) and HK\$755,000 (2019: HK\$1,000,000) which are used for acquisition of land and buildings and leasehold improvement respectively and the remaining of HK\$245,000 (2019: HK\$220,000 is still not yet used up to the date of this report. The other portion of receipts in advance of HK\$5,990,484 (2019: HK\$2,849,346) represents donation income received from other donors which is used for general charity activity purposes.

PLAYRIGHT CHILDREN'S PLAY ASSOCIATION

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

12. PROVISION FOR LONG SERVICE PAYMENTS

The provision for long service payments represents the Association's estimated liability for long service payments at the end of the reporting period assuming the termination of employment of those employees who are eligible for long service payments in accordance with the Hong Kong Employment Ordinance on that date.

13. COMMITMENTS UNDER OPERATING LEASE

The Association as lessee

The Association had the following total future minimum lease payments payable under non-cancellable operating leases:

	<u>2020</u> HK\$	<u>2019</u> HK\$
Not later than one year	747,482	907,232
Later than one year	303,732	713,464
	<u>1,051,214</u>	<u>1,620,696</u>

14. EVENT AFTER THE REPORTING PERIOD

In early 2020, the outbreak of the Novel Coronavirus ("COVID-19") caused disruption to many industries in Hong Kong. Meanwhile Hong Kong governments have adopted series of measures to control the epidemic and adopted proactive policies to stimulate consumption and domestic demand. Though it is believed that these demand expanding policies will bring positive results in the future and related enterprises will also be benefited, there is also lots of challenges. The Association will continue to closely monitor the development of the COVID-19 situation and take proactive measures.

15. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were authorised for issued by the Association's executive committee on 28 December 2020.