

CERECARE FOUNDATION LIMITED

致康基金會有限公司

Reports and Financial Statements
For the year ended 31 December 2020

HLM CPA LIMITED

Certified Public Accountants



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CERECARE FOUNDATION LIMITED

致康基金會有限公司

REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

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CERECARE FOUNDATION LIMITED

致康基金會有限公司

REPORT OF THE DIRECTORS

The directors present their annual report and the audited financial statements of the Cerecare Foundation Limited (“the Foundation”) for the year ended 31 December 2020.

PRINCIPAL ACTIVITY

The Foundation’s principal activities are to provide funds for the rehabilitation of children with disabilities, and to support education activities or facilities for these children.

RESULTS

The Foundation’s results for the year are set out on page 6 in the financial statements.

DIRECTORS

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

Lieu Sung Mai Iris
Wong Chor Sar
Cheng Yuk Kwan, Clare
Leung Sin Mei
Yu Suet Ping, Elsie
Lai Chau Kun May

There being no provision in the Articles of Association for the rotation of directors, all existing directors shall remain in office.

DIRECTORS’ INTERESTS

At no time during the year was the Foundation a party to any arrangement to enable the directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Foundation or any other body corporate.

DIRECTORS’ INTERESTS IN TRANSACTIONS, ARRANGEMENT AND CONTRACTS

No director had a material interest in any contract of significance to the business of the Foundation to which the Foundation was a party during the year.

PERMITTED INDEMNITY PROVISION

At no time during the financial year and up to the date of this Directors’ Report, there was or is, any permitted indemnity provision being in force for the benefit of any of the directors of the Foundation.

CERECARE FOUNDATION LIMITED

致康基金會有限公司

REPORT OF THE DIRECTORS (Continued)

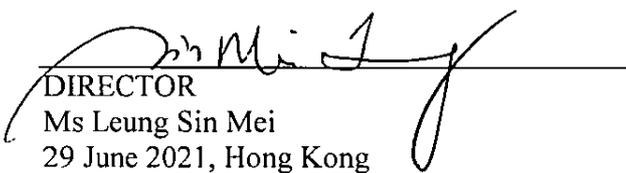
BUSINESS REVIEW

By virtue of section 388(3)(a) of the Hong Kong Companies Ordinance, the Foundation falls within the reporting exemption for the financial year. The Foundation is not required to prepare a business review to be included in the report of the directors.

AUDITOR

A resolution will be submitted to the annual general meeting to re-appoint Messrs. HLM CPA Limited, as honorary auditor of the Foundation.

On behalf of the Board



DIRECTOR

Ms Leung Sin Mei

29 June 2021, Hong Kong

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CERECARE FOUNDATION LIMITED

致康基金會有限公司

(A company incorporated in Hong Kong limited by guarantee)

Opinion

We have audited the financial statements of Cerecare Foundation Limited (“the Foundation”) set out on pages 6 to 11, which comprise the statement of financial position as at 31 December 2020, and the statement of profit or loss and other comprehensive income, the statement of changes in funds and the statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements give a true and fair view of the financial position of the Foundation as at 31 December 2020, and of its financial performance and its cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) 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 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.

Information other than the financial statements and auditor's report thereon

The directors of the Foundation are responsible for the other information. The other information comprises the information included in the annual 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 (Continued)

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 HKFRSs 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.

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. 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.

INDEPENDENT AUDITOR'S REPORT (Continued)

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

- 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.



HLM CPA Limited
Certified Public Accountants

Chan Lap Chi
Practising Certificate number: P04084
Hong Kong, 29 June 2021

CERECARE FOUNDATION LIMITED

致康基金會有限公司

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020

	<u>NOTE</u>	<u>2020</u> HK\$	<u>2019</u> HK\$
Incomes			
Donation income		34,201	17,824
Interest income		4,690	3,090
Exchange gain		11,716	-
		<u>50,607</u>	<u>20,914</u>
Expenditures			
Allocations to charitable projects		7,864	21,717
Administrative expenses		1,285	1,285
Exchange loss		-	12,619
		<u>9,149</u>	<u>35,621</u>
Total expenditures		<u>9,149</u>	<u>35,621</u>
Surplus (deficit) and total comprehensive income (expense) for the year	4	<u><u>41,458</u></u>	<u><u>(14,707)</u></u>

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

CERECARE FOUNDATION LIMITED

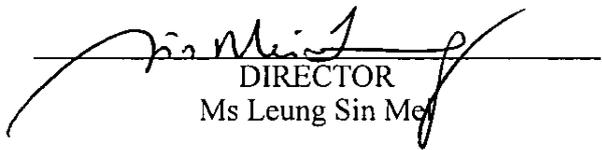
致康基金會有限公司

STATEMENT OF FINANCIAL POSITION

AT 31 DECEMBER 2020

	NOTE	2020 HK\$	2019 HK\$
Current assets			
Cash and bank balances	5	290,830	256,804
Project fund withdrawal in advance		-	2,237
		<u>290,830</u>	<u>258,321</u>
Current liability			
Project fund payable	5	-	8,949
Net asset		<u>290,830</u>	<u>249,372</u>
Represented by:			
Members' subscription		1,200	1,100
Accumulated surplus		289,630	248,172
		<u>290,830</u>	<u>249,372</u>

The financial statements on pages 6 to 11 were approved and authorised for issue by the Board of Directors on 29 June 2021.


DIRECTOR
Ms Leung Sin Mei


DIRECTOR
Ms Wong Chor Sar

CERECARE FOUNDATION LIMITED

致康基金會有限公司

STATEMENT OF CHANGES IN FUNDS
FOR THE YEAR ENDED 31 DECEMBER 2020

	Members' subscription HK\$	Accumulated surplus HK\$	Total members' fund HK\$
At 1 January 2019	1,100	262,879	263,979
Subscription from a new member	100	-	100
Deficit for the year	-	(14,707)	(14,707)
At 31 December 2019 and 1 January 2020	1,200	248,172	249,372
Surplus for the year	-	41,458	41,458
At 31 December 2020	1,200	289,630	290,830

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

CERECARE FOUNDATION LIMITED

致康基金會有限公司

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020**

	<u>2019</u> HK\$	<u>2019</u> HK\$
Operating activities		
Surplus (deficit) for the year	41,458	(14,707)
Adjustments for:		
Interest income	(4,690)	(3,090)
Donation income	(34,201)	(17,824)
Operating cash flows before movements in working capital	2,567	(35,621)
Decrease (increase) in Project withdrawal in advance	2,237	(2,237)
(Decrease) increase in Project fund payable	(8,949)	8,949
Net cash used in operating activities	<u>(4,145)</u>	<u>(28,909)</u>
Investing activities		
Interest received	4,690	3,090
Donation received	34,201	17,824
Project refund	-	-
Net cash generated from investing activities	<u>38,891</u>	<u>20,914</u>
Financing activity		
Contribution of a new member's subscription	-	100
Net cash generated from financing activity	<u>-</u>	<u>100</u>
Net increase (decrease) in cash and cash equivalents	34,746	(7,895)
Cash and cash equivalents at 1 January	256,084	263,979
Cash and cash equivalents at 31 December	<u>290,830</u>	<u>256,084</u>
Analysis of the balances of cash and cash equivalents:		
Cash and bank balances	<u>290,830</u>	<u>256,084</u>

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

CERECARE FOUNDATION LIMITED

致康基金會有限公司

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1. GENERAL

The Foundation is a private company incorporated in Hong Kong limited by guarantee and not having a share capital. Its principal activities are to provide funds for the treatment of children with cerebral palsy, and to support education activities or facilities for these children.

2. STATEMENT OF COMPLIANCE

These financial statements are prepared in accordance with all applicable Hong Kong Financial Reporting Standards (HKFRSs), which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (HKASs) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong and Hong Kong Companies Ordinance.

3. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are as follows:

Revenue recognition

Donation income is recognised when cash is received.

Interest income is accrued on a time basis, by reference to the principal amount outstanding and at the interest rate applicable.

Taxation

The Foundation is a charitable institution of a public character for the purposes of the Inland Revenues Ordinance (Section 88), therefore, the Foundation is exempted from income tax.

4. SURPLUS FOR THE YEAR

	<u>2020</u>	<u>2019</u>
	HK\$	HK\$
Surplus for the year has been arrived at after charging:		
Directors' remunerations	-	-
Auditors' remunerations	-	-
	<u> </u>	<u> </u>

CERECARE FOUNDATION LIMITED

致康基金會有限公司

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

5. CASH AND BANK BALANCES

Bank balances of the Foundation carry interest at market rate which is 0.001% (2019: 0.001%) per annum. The time deposits carry interest rate of 2.30% (2019:2.25%) per annum.

6. SHARE CAPITAL

The Foundation was incorporated under the Hong Kong Companies Ordinance. The Foundation does not have any issued share capital. The liability of the members is limited. Every member of the Foundation undertakes to contribute to the assets of the Foundation, in the event of its being wound up during the time that he is a member, or within one year thereafter, for the payment of the debts and liabilities of the Foundation contracted before the time at which he ceases to be a member, and of the cost, charges and expenses of winding up, and for the adjustment of the rights of the contributories amongst themselves, such amount as may be required not exceeding one hundred Hong Kong dollars.

DETAILED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020

	HK\$
Incomes	
Donation income	34,201
Interest income	4,690
Exchange gain	11,716
	<u>50,607</u>
Expenditures	
Administrative expenses	1,285
Allocations to charitable project	7,864
	<u>9,149</u>
Surplus and total comprehensive income for the year	<u><u>41,458</u></u>
