

DOCTOR PET LIMITED

動物醫生有限公司

(AN ASSOCIATION LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL)

REPORTS AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2013

LKKC

國信會計師事務所有限公司

LKKC C.P.A. LIMITED

Chartered Accountants

Certified Public Accountants

In association with Baker Tilly China - Shenzhen

**DOCTOR PET LIMITED
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2013**

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(EXPRESSED IN HONG KONG DOLLARS)

**DOCTOR PET LIMITED
EXCO-BOARD MEMBERS' REPORT
FOR THE YEAR ENDED 31ST MARCH 2013**

The Exco-Board has pleasure in presenting its annual report and audited financial statements for the year ended 31st March 2013.

PRINCIPAL ACTIVITIES

The principal activities of the Association are promotion of animals' therapy and fund- raising for charitable purposes.

FINANCIAL POSITION

The results of the Association for the year ended 31st March 2013 and its state of affairs at that date are set out in the financial statements on page 5 to 15.

FIXED ASSETS

Details of the movements in fixed assets are set out in note 8 to the financial statements.

SHARE CAPITAL

The Association was incorporated under the Laws of Hong Kong the Association limited by guarantee and not having a share capital.

EXCO- BOARD MEMBERS

The Exco- Board Members of the Association during the year and up to the date of this report were:-

Luk Yan Ling Winnie Esther (Former name: Luk Yee Ching Winnie Esther)
Tan Yong Chung
Chan Sinn Kay Olivia
Yim Ka Wing

In accordance with Article 12(i) of the Association's Articles of Association, all the Exco- Board Members retire, and being eligible, offer themselves for re- election.

EXCO- BOARD MEMBERS' INTERESTS

No contracts of significance to which the Association was a party and in which any Exco- Board Member of the Association had a material interest, whether directly or indirectly subsisted at the end of the year or at any time during the year.

EXCO- BOARD MEMBERS' RIGHTS TO ACQUIRE SHARES AND DEBENTURES

At no time during the year was the Association a party to any arrangements to enable the Exco- Board Members of the Association to acquire benefits by means of acquisition of shares in, or debentures of the Association or any other body corporate.

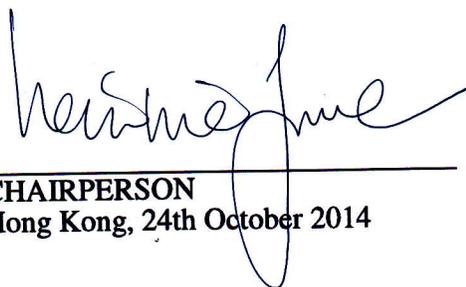
(To be cont'd)

**DOCTOR PET LIMITED
EXCO-BOARD MEMBERS' REPORT
FOR THE YEAR ENDED 31ST MARCH 2013
(CONTINUED)**

AUDITORS

The auditors, Messrs. LKKC C.P.A. Limited, Chartered Accountants, Certified Public Accountants, retire but, being eligible, offer themselves for re-appointment.

FOR AND ON BEHALF OF THE BOARD



CHAIRPERSON
Hong Kong, 24th October 2014



國信會計師事務所有限公司

LKKC C.P.A. LIMITED

Chartered Accountants
Certified Public Accountants

香港中環德輔道中141號中保集團大廈24樓2401室
Suite 2401, China Insurance Group Building, 141 Des Voeux Road Central, Hong Kong.
Tel 電話 : (852) 2521 9013 Fax 傳真 : (852) 2541 0502 Email 電郵 : enquiry@lkkc-cpa.com

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**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF DOCTOR PET LIMITED
(Incorporated in Hong Kong as the Association limited by guarantee)**

We have audited the financial statements of Doctor Pet Limited set out on pages 5 to 15, which comprise the statement of financial position as at 31st March 2013, and the statement of comprehensive income and the statement of changes in equity and statement of cash flow for the year ended 31st March 2013 and a summary of significant accounting policies and other explanatory notes.

Exco- Board Members' responsibility for the financial statements

The Exco- Board Members are responsible for the preparation and the true and fair presentation of these financial statements in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the Hong Kong Companies Ordinance. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. This report is made solely to you, as a body, in accordance with section 141 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.

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and true and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

(To be cont'd)

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF DOCTOR PET LIMITED
(Incorporated in Hong Kong as a Association limited by guarantee) (Continued)**

Opinion

In our opinion, the financial statements give a true and fair view of the state of the Association affairs as at 31st March 2013 and of its surplus and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the Hong Kong Companies Ordinance.



LKKC C.P.A. LIMITED
國信會計師事務所有限公司
Chartered Accountants
Certified Public Accountants
Auditor – Wilson, Chi-Shing Kwok
郭志成執業會計師
Practising certificate number – P01952

Hong Kong, 24th October 2014

D162/KL/C/825

DOCTOR PET LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31ST MARCH 2013

	<u>NOTES</u>	<u>2013</u> HK\$	<u>2012</u> HK\$
INCOME FROM DONATIONS		394,989.05	310,221.90
DONATIONS FROM FLAG DAY FUND RAISING	9	189,042.00	269,364.40
INCOME FROM CHARITY SALES		26,264.20	42,132.40
SPONSORSHIP INCOME		120,000.00	145,200.00
OTHER INCOME		54.30	5,048.95
		<u>730,349.55</u>	<u>771,967.65</u>
EXPENDITURE			
COST OF FUNCTIONS		(390,422.30)	(386,256.20)
OTHER OPERATING EXPENSES		(262,860.12)	(359,096.58)
SURPLUS BEFORE TAXATION	5	<u>77,067.13</u>	<u>26,614.87</u>
TAXATION	7	-	-
SURPLUS FOR THE YEAR		<u><u>77,067.13</u></u>	<u><u>26,614.87</u></u>

The notes on pages 10 to 15 form an integral part of these financial statements.

DOCTOR PET LIMITED
OTHER OPERATING EXPENSES
(FOR MANAGEMENT PURPOSES ONLY)
FOR THE YEAR ENDED 31ST MARCH 2013

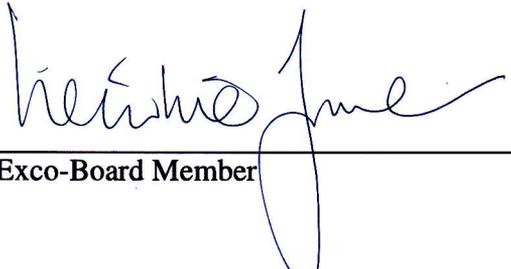
	2013	2012
	HK\$	HK\$
OTHER OPERATING EXPENSES		
Accounting	20,000.00	18,500.00
Auditor's remuneration	11,500.00	11,500.00
Bank charges	3,730.00	5,862.80
Books and magazine	4,329.00	4,872.20
Computer expenses	16,280.30	4,643.50
Depreciation	32,219.60	32,918.38
Donations	-	300.00
Legal and professional fee	5,805.00	4,575.00
Postage and courier	1,403.60	6,337.60
Printing and stationery	33,917.90	43,616.50
Publicity and promotion	-	10,369.80
Repair and maintenance	-	1,438.00
Rent and rates	18,927.00	18,000.00
Sundries	430.30	9,530.50
Salary	68,010.00	69,842.90
Telephone and internet expenses	11,736.00	10,715.30
Traveling and transportation	34,571.42	45,098.50
Uniform fee	-	60,975.60
	<u>262,860.12</u>	<u>359,096.58</u>

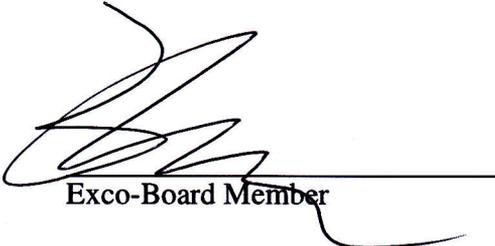
The notes on pages 10 to 15 form an integral part of these financial statements.

DOCTOR PET LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31ST MARCH 2013

	<i>NOTES</i>	2013 HK\$	2012 HK\$
NON-CURRENT ASSETS			
Fixed assets	8	<u>38,738.33</u>	<u>38,421.13</u>
CURRENT ASSETS			
Bank and cash balances		273,065.22	77,148.47
Deduct:-			
CURRENT LIABILITIES			
Accrued expenses		334,945.72	215,778.90
NET CURRENT LIABILITIES		<u>(61,880.50)</u>	<u>(138,630.43)</u>
NET LIABILITIES		<u>(23,142.17)</u>	<u>(100,209.30)</u>
DEFICIT		<u>(23,142.17)</u>	<u>(100,209.30)</u>

APPROVED AND AUTHORISED FOR ISSUE BY THE EXCO-BOARD OF MEMBERS ON
 24TH OCTOBER 2014.


 Exco-Board Member


 Exco-Board Member

The notes on pages 10 to 15 form an integral part of these financial statements.

DOCTOR PET LIMITED
STATEMENT OF CHANGES IN EQUITY
AS AT 31ST MARCH 2013

	<u>Total</u> HK\$
Balances as at the 1st April 2011	(126,824.17)
Surplus for the year	26,614.87
Balances as at 1st April 2012	<u>(100,209.30)</u>
Surplus for the year	77,067.13
Balances as at 31st March 2013	<u><u>(23,142.17)</u></u>

The notes on pages 10 to 15 form an integral part of these financial statements.

DOCTOR PET LIMITED
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 31ST MARCH 2013

	<u>2013</u> HK\$	<u>2012</u> HK\$
CASH FLOWS FROM OPERATING ACTIVITIES		
SURPLUS BEFORE TAXATION	77,067.13	26,614.87
ADJUSTMENTS FOR:		
Depreciation	<u>32,219.60</u>	<u>32,918.38</u>
OPERATING SURPLUS/ (DEFICIT) BEFORE CHANGES IN WORKING CAPITAL	109,286.73	59,533.25
Decrease in rental deposits	-	2,176.00
Decrease in donation receivable	-	8,947.50
Increase/ (decrease) in accrued expenses	<u>119,166.82</u>	<u>(19,618.00)</u>
CASH GENERATED FROM OPERATING ACTIVITIES	228,453.55	51,038.75
TAX PAID		
Hong Kong profits tax paid	<u>-</u>	<u>-</u>
NET CASH GENERATED FROM OPERATING ACTIVITIES	<u>228,453.55</u>	<u>51,038.75</u>
INVESTING ACTIVITIES		
Purchase of equipment	<u>(32,536.80)</u>	<u>(17,995.00)</u>
Interest received	<u>-</u>	<u>-</u>
NET CASH USED IN INVESTING ACTIVITIES	<u>(32,536.80)</u>	<u>(17,995.00)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	195,916.75	33,043.75
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	<u>77,148.47</u>	<u>44,104.72</u>
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	<u>273,065.22</u>	<u>77,148.47</u>
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
Cash and bank balances	<u>273,065.22</u>	<u>77,148.47</u>

The notes on pages 10 to 15 form an integral part of these financial statements.

DOCTOR PET LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2013

1. **LEGAL STATUS**

Doctor Pet Limited was incorporated in Hong Kong on 21st August 2004 under the Hong Kong Companies Ordinance and is limited by guarantee. Under the provisions of the Association's Memorandum and 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. The Association's registered office is located at Suite 2401, 24/F., China Insurance Group Building, 141 Des Voeux Road Central, Hong Kong.

2. **PRINCIPAL ACTIVITIES**

The principal activities of the Association are promotion of animals therapy and fund-raising for charitable purposes

3. **ADOPTION OF NEW AND REVISED HONG KONG REPORTING STANDARDS (HKFRS)**

For the year ended 31 March 2013, the Company has adopted all the new standards, amendments and interpretations that are currently in issue and effective.

HKFRS 1 Amendment	Limited Exemptions from Comparative HKFRS 7 Disclosures for First-time Adopters
HK(IFRIC)-Int 14 Amendment	Prepayments of a Minimum Funding Requirement
HK(IFRIC)-Int 19	Extinguishing Financial Liabilities with Equity Instruments
Improvements to HKFRSs 2010	

The adoption of these new standards, amendments and interpretations has not had any significant effect on the accounting policies or the results and financial position of the Company.

The following new standards, amendments and interpretations, which have been published but are not yet effective, have not been early adopted in these consolidated financial statements. These are effective for the Company's accounting periods beginning on or after 1 April 2013.

HKAS 1 (Revised) Amendment	Presentation of Items of Other Comprehensive Income ⁽¹⁾
HKAS 19 (2012)	Employee Benefits ⁽²⁾
HKAS 27 (2012)	Separate Financial Statements ⁽²⁾
HKAS 28 (2012)	Investments in Associates and Joint Ventures ⁽²⁾
HKAS 32 Amendments	Offsetting Financial Assets and Financial Liabilities ⁽³⁾
HKFRS 1 Amendments	Government Loans ⁽²⁾
HKFRS 1 Amendments	Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters ⁽⁴⁾
HKFRS 7 Amendments	Disclosures – Transfers of Financial Assets ⁽⁴⁾
HKFRS 7 Amendments	Disclosures – Offsetting Financial Assets and Financial Liabilities ⁽²⁾
HKFRS 7 Amendments	Disclosures – Mandatory Effective Date of HKFRS 9 and Transition Disclosures ⁽⁵⁾
HKFRS 9	Financial Instruments ⁽⁵⁾
HKFRS 10	Consolidated Financial Statements ⁽²⁾
HKFRS 11	Joint Arrangements ⁽²⁾
HKFRS 12	Disclosures of Interests in Other Entities ⁽²⁾
HKFRS 13	Fair Value Measurement ⁽²⁾
HK(IFRIC)-Int 20	Stripping Costs in the Production Phase of a Surface Mine ⁽²⁾

DOCTOR PET LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2013

3. ADOPTION OF NEW AND REVISED HONG KONG REPORTING STANDARDS (HKFRS) (CONTINUED)

- (1) Effective for accounting periods beginning on or after 1 July 2012
- (2) Effective for accounting periods beginning on or after 1 January 2013
- (3) Effective for accounting periods beginning on or after 1 January 2014
- (4) Effective for accounting periods beginning on or after 1 July 2011
- (5) Effective for accounting periods beginning on or after 1 January 2015

The director of the Company has commenced their assessments of the impact of the above new and revised HKFRSs, but it is not yet in a position to state whether these new and revised HKFRSs, would have a material impact on the results and the financial position of the Company.

4. PRINCIPAL ACCOUNTING POLICIES

- (a) Statement of compliance and basis of preparation
 These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (HKFRSs) (which also include Hong Kong Accounting Standards and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong and the requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention.

- (b) Fixed Assets
 Fixed Assets are stated at their cost less accumulated depreciation and accumulated impairment losses. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, only when it is probable that future economic benefits associated with the item will flow to the Association and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the year in which they are incurred.

Depreciation is provided to write off the cost of each assets over their estimated useful lives, using the straight line method, at the following rates per annum :-

Computer and equipment	-	25%
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- (c) Revenue
 Revenue is recognized 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) Sale of goods is recognized when the goods are delivered and the risks and rewards of ownership have passed to the customer;
 - (ii) Donations are recognised as income when received.
 - (iii) Interest income from bank deposits is accrued on a time- apportioned basis by reference to the principal outstanding and the rate applicable.

DOCTOR PET LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2013

4. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

(d) Impairment of assets

Internal and external sources of information are reviewed at each balances sheet date to identify indications that assets may be impaired or an impairment loss previously recognised no longer exists or may be decreased. If any such indication exists, the asset's recoverable amount is estimated. The recoverable amount of an asset is the higher of its fair value less costs to sell and value in use. An impairment loss is recognised in the income statement whenever the carrying amount of an asset exceeds its recoverable amount.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount and which results in an increase in the recoverable amount. A reversal of impairment losses is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to the income statement in the year in which the reversals are recognised.

(e) Leases

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Association is the lessor, assets leased by the Association under operating leases are included in non-current assets, and rentals receivable under the operating leases are credited to the income statement on the straight-line basis over the lease terms. Where the Association is the lessee, rentals payable under the operating leases are charged to the income statement on the straight-line basis over the lease terms.

(f) Employee benefits

Obligations for contributions to defined contribution retirement plans, including contributions payable under the Hong Kong Mandatory Provident Fund Schemes Ordinance, are recognised as expenses in the income statement as incurred.

(g) Trade and other receivables

Trade and other receivables are initially recognised at fair value and thereafter stated at amortised cost less accumulated impairment losses for bad and doubtful debts, except the effect of discounting would be immaterial or where the receivables are interest-free advances made to related parties without any fixed repayment terms. In such cases, the receivables are stated at cost less accumulated impairment losses for bad and doubtful debts.

(h) Trade and other payables

Trade and other payables are initially recognised at fair value and thereafter stated at amortised cost unless the effect of discounting would be immaterial. In such case, they are stated at cost.

DOCTOR PET LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2013

4. **PRINCIPAL ACCOUNTING POLICIES (CONTINUED)**

(i) Taxation

Tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable surplus for the year. Taxable surplus differs from surplus as reported in the income statement because it excludes items of income or expenses that are taxable or deductible in other years and it further excludes items that are not taxable or deductible. The Association liability for current tax is calculated using tax rates that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable surplus, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are recognised to the extent that it is probable that taxable surplus will be available against which deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable surplus will be available to allow all or part of the asset to be recovered.

5. **PROFIT BEFORE TAXATION**

Profit before taxation is stated at after charging the following items:-

	2013	2012
	HK\$	HK\$
Auditor's remuneration	11,500.00	11,500.00
Depreciation	32,219.60	32,918.38
Rent and rates	18,927.00	18,000.00
Salaries	<u>68,010.00</u>	<u>69,842.90</u>

DOCTOR PET LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2013

6. **EXCO- BOARD MEMBERS' REMUNERATION**

None of the Exco- Board Members received any remuneration in respect of their services to the Association during the year (2012: Nil).

7. **TAXATION**

The Association is exempted from Hong Kong profits tax by virtue of Section 88 of the Inland Revenue Ordinance.

8. **FIXED ASSETS**

	COMPUTER AND EQUIPMENT HK\$
COST	
At 1st April 2011	192,916.30
Additions for the year	17,995.00
At 1st April 2012	<u>210,911.30</u>
Additions for the year	32,536.80
At 31st March 2013	<u><u>243,448.10</u></u>
DEPRECIATION	
At 1st April 2011	139,571.79
Charge for the year	32,918.38
At 1st April 2012	<u>172,490.17</u>
Charge for the year	32,219.60
At 31st March 2013	<u><u>204,709.77</u></u>
NET BOOK VALUE	
At 31st March 2013	<u><u>38,738.33</u></u>
At 31st March 2012	<u><u>38,421.13</u></u>

9. DONATIONS FROM FLAG DAY FUND RAISING

	<u>2013</u>	<u>2012</u>
	HK\$	HK\$
Gross income from Flag Day Fund Raising	189,042.00	269,364.40
Deducted: Expenditures	<u>(12,608.00)</u>	<u>(26,558.00)</u>
Net Proceeds	<u>176,434.00</u>	<u>242,806.40</u>
Detailed breakdown for the usage of the net proceeds		
	2013	2012
	HK\$	HK\$
探訪營運經費	105,860.40	145,683.84
愛寵小天使計劃	17,643.40	24,280.64
動物醫生講座	5,293.02	7,284.19
宣揚愛護動物活動	<u>47,637.18</u>	<u>65,557.73</u>
Net Proceeds	<u>176,434.00</u>	<u>242,806.40</u>

Note: All proceeds are fully used under the objective of Flag Day Fund Raising.

10. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Association is exposed to a variety of financial risks which result from both its operating and investing activities. The Association's risk management is monitored by the Exco-Board. The Association's risk management objectives and policies mainly focus on minimizing the potential adverse effects of these risks on the Association by closely monitoring the individual exposure. The major risks to which the Association is exposed to are described below.

(a) Interest rate risk

The Association's exposure on to changes in interest rates is mainly attributable to its short-term bank deposits. Since the short-term bank deposits usually mature within 3 months, the exposure is considered not significant.

(b) Credit risk

There is no credit risk as the Association does not have any trade receivables.

(c) Liquidity risk

There is no liquidity risk as the Association has a healthy cash balance.