

**PEOPLE OF FORTITUDE. INTERNATIONAL MUTUAL-
AID ASSOCIATION FOR THE DISABLED LIMITED**
堅毅忍者・障殘人士國際互助協會有限公司
(Limited by guarantee and not having a share capital)
FOR THE YEAR ENDED 31 MARCH 2021



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CERTIFIED PUBLIC ACCOUNTANTS (PRACTISING)
C.L. TAM & COMPANY

**PEOPLE OF FORTITUDE. INTERNATIONAL MUTUAL-
AID ASSOCIATION FOR THE DISABLED LIMITED**
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FOR THE YEAR ENDED 31 MARCH 2021

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**PEOPLE OF FORTITUDE. INTERNATIONAL MUTUAL-
AID ASSOCIATION FOR THE DISABLED LIMITED
REPORT OF THE COUNCILLORS**

The councillors have pleasure in submitting herewith their annual report together with the audited financial statements for the year ended 31 March 2021.

PRINCIPAL ACTIVITIES

The principal activities of the association are helping the disabled to get employment and live on their own efforts, and to enhance the awareness of the general public on the issue of charity and social service.

RESULTS

The results of the association for the year ended 31 March 2021 and the state of the association's affairs as at that date are set out in the financial statements on pages 6 to 11.

RESERVES

Details of movements in the reserves of the association during the year are set out in note 7 to the financial statements.

COUNCILLORS

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

Chan Wah Cheung
Tin Hing Sin
Kam Hoi Yan, Raymond
Yip Cham Kai

In accordance with Article 55 of the association's Articles of Association, all councillors shall retire and, being eligible, offer themselves for re-election.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the operation of the association were entered into or existed during the year.

PERMITTED INDEMNITY PROVISIONS

At no time during the year and up to the date of this report were there any permitted indemnity provisions in force for the benefit of one or more councillors of the association.

**PEOPLE OF FORTITUDE. INTERNATIONAL MUTUAL-
AID ASSOCIATION FOR THE DISABLED LIMITED
REPORT OF THE COUNCILLORS**

AUDITORS

Messrs. C.L. Tam & Company, Certified Public Accountants (Practising) will retire at the forthcoming annual general meeting and, being eligible, offer themselves for re-appointment.

On behalf of the Council



Chan Wah Cheung
Chairman
Hong Kong
Date: 30 NOV 2021

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF PEOPLE OF FORTITUDE. INTERNATIONAL MUTUAL-
AID ASSOCIATION FOR THE DISABLED LIMITED**
(Limited by Guarantee and not having a Share Capital)

Opinion

We have audited the financial statements of People of Fortitude. International Mutual-Aid Association for the Disabled Limited ("the Association") set out on pages 6 to 11, which comprise the statement of financial position as at 31 March 2021, and the income statement 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 ("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 Association 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 councillors are responsible for the other information. The other information comprises the information included in the councillors' 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.

0080

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF PEOPLE OF FORTITUDE. INTERNATIONAL MUTUAL-
AID ASSOCIATION FOR THE DISABLED LIMITED
(Limited by Guarantee and not having a Share Capital)**

Responsibilities of Councillors and Those Charged with Governance for the Financial Statements

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

Those charged with governance are responsible for overseeing the Association'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. This report is made solely to you, as a body, in accordance with sections 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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the councillors.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF PEOPLE OF FORTITUDE. INTERNATIONAL MUTUAL-
AID ASSOCIATION FOR THE DISABLED LIMITED**
(Limited by Guarantee and not having a Share Capital)

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

- Conclude on the appropriateness of the councillors' 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 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.



C.L. Tam & Company
Certified Public Accountants (Practising)
Hong Kong
Date: 30 NOV 2021

**PEOPLE OF FORTITUDE. INTERNATIONAL MUTUAL-
AID ASSOCIATION FOR THE DISABLED LIMITED
INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021**

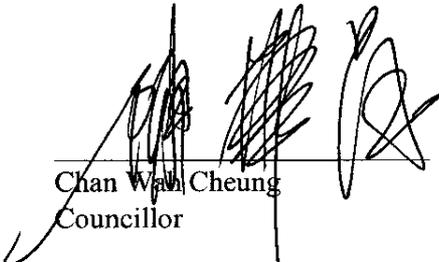
	NOTE	2021 HK\$	2020 HK\$
Revenue	3	-	277,262.00
Other income	3	44,864.50	15,850.00
Operating expenses		(27,775.40)	(297,906.40)
Finance costs	4	(300.00)	(1,000.00)
Surplus/ (deficit) before tax		<u>16,789.10</u>	<u>(5,794.40)</u>
Income tax expense	6	-	-
Surplus/ (deficit) for the year		<u><u>16,789.10</u></u>	<u><u>(5,794.40)</u></u>

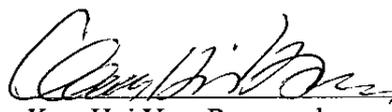
The accompanying accounting policies and explanatory notes form an integral part of, and should be read in conjunction with, these financial statements.

**PEOPLE OF FORTITUDE. INTERNATIONAL MUTUAL-
AID ASSOCIATION FOR THE DISABLED LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2021**

	NOTE	2021 HK\$	2020 HK\$
Current assets			
Prepayments		585.00	6,000.00
Bank balances		23,268.20	1,064.10
		<u>23,853.20</u>	<u>7,064.10</u>
Current liabilities			
Accrued charges		7,000.00	7,000.00
		<u>16,853.20</u>	<u>64.10</u>
Net assets			
		<u>16,853.20</u>	<u>64.10</u>
Members' equity			
Accumulated surplus		16,853.20	64.10
		<u>16,853.20</u>	<u>64.10</u>
Total members' equity	7	<u>16,853.20</u>	<u>64.10</u>

The financial statements were approved and authorized for issue by the council on 30 NOV 2021 and signed on its behalf by:


Chan Wai Cheung
Councillor


Kam Hoi Yan, Raymond
Councillor

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

**PEOPLE OF FORTITUDE. INTERNATIONAL MUTUAL-AID ASSOCIATION FOR THE DISABLED LIMITED
ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

1. REPORTING ENTITY

People of Fortitude. International Mutual-Aid Association for the Disabled Limited is a company incorporated in Hong Kong limited by guarantee and not having a share capital. The address of its registered office is 7/F., Wing Hin Factory Building, 31-33 Ng Fong Street, San Po Kong, Kowloon.

The association is a non-profit making organisation and its principal activities of the association are to help disabled to get employment and live by their own effort, and to enhance the awareness of the general public on the issue of charity and social service.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The association qualifies for the reporting exemption as a small guarantee company under section 359 (1)(a) of the Hong Kong Companies Ordinance (Cap. 622). The association 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 the historical cost convention.

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

a. Impairment of assets

An assessment is made at the end of each reporting period to determine whether there is any indication of impairment or reversal of previous impairment, including items of property, plant and equipment, intangible assets and long-term investments. In the event that an asset's carrying amount exceeds its recoverable amount, the carrying amount is reduced to recoverable amount and an impairment loss is recognised in the income statement. 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 amortisation or depreciation), had no impairment losses been recognised for the asset in prior years.

b. 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.

**PEOPLE OF FORTITUDE. INTERNATIONAL MUTUAL-
AID ASSOCIATION FOR THE DISABLED LIMITED
ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

c. Related parties

A related party is a person or entity that is related to the entity that is preparing its financial statements ("reporting entity").

- I. A person or a close member of that person's family is related to a reporting entity if that person:
 - (i) has control or joint control over the reporting entity;
 - (ii) has significant influence over the reporting entity; or
 - (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.
- II. An entity is related to a reporting entity if any of the following conditions applies:
 - (i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
 - (vi) The entity is controlled or jointly controlled by a person identified in (I).
 - (vii) A person identified in (I)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
 - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

d. Recognition of revenue

Donation income and sponsorship income are recognised when received.

Sundry income is recognised when the services are rendered.

3. REVENUE AND OTHER INCOME

An analysis of revenue and other income is as follows:

	2021 HK\$	2020 HK\$
Revenue		
Donation income	-	277,262.00
Other income		
Sundry income	44,864.50	15,850.00
	<u>44,864.50</u>	<u>293,112.00</u>

**PEOPLE OF FORTITUDE. INTERNATIONAL MUTUAL-
AID ASSOCIATION FOR THE DISABLED LIMITED**
ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

4. FINANCE COSTS

	2021	2020
	HK\$	HK\$
Bank charges	300.00	1,000.00
	<u>300.00</u>	<u>1,000.00</u>

5. COUNCILLORS' REMUNERATION

Councillors' remuneration disclosed pursuant to section 383 (1)(a) of the Hong Kong Companies Ordinance (Cap.622) is as follows:-

	2021	2020
	HK\$	HK\$
Fees	-	-
Retirement benefits	-	-
Other emoluments	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

6. INCOME TAX EXPENSE

The association is entitled to exemption from all taxes payable under section 88 of the Inland Revenue Ordinance.

7. CHANGES IN MEMBERS' EQUITY

	Accumulated surplus HK\$
Total members' equity as at 31 March 2020	64.10
Surplus for the year	16,789.10
Total members' equity as at 31 March 2021	<u>16,853.20</u>

**PEOPLE OF FORTITUDE. INTERNATIONAL MUTUAL-
AID ASSOCIATION FOR THE DISABLED LIMITED
ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

8. SIGNIFICANT RELATED PARTY TRANSACTIONS

In addition to the transactions and balances detailed elsewhere in these financial statements, the association had the following transactions with related parties:

	2021 HK\$	2020 HK\$
Donation income from related company (*)	-	277,262.00

(*) The above related company is direct or indirect controlled by Mr. Chan Wah Cheung, a councillor and member of the association.

These transactions were conducted in accordance with prices and terms mutually agreed between the parties.

PEOPLE OF FORTITUDE. INTERNATIONAL MUTUAL-
 AID ASSOCIATION FOR THE DISABLED LIMITED
 SCHEDULES TO INCOME STATEMENT
 FOR THE YEAR ENDED 31 MARCH 2021
 [For management purposes only]

	2021 HK\$	2020 HK\$
1. OPERATING EXPENSES		
Advertising and promotion	9,074.00	6,028.00
Association's function activities	2,338.90	20,418.40
Auditor's remuneration	7,000.00	7,000.00
Donation	-	256,062.00
Insurance	2,040.00	2,040.00
Messing	1,618.00	960.00
Postage and courier	2,180.00	2,460.00
Printing and stationery	634.00	185.00
Secretarial fee	1,750.00	1,855.00
Sundry expenses	1,140.50	898.00
	27,775.40	297,906.40
	27,775.40	297,906.40