

DANCE WITH DEPRESSION ASSOCIATION LIMITED

REPORTS AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2011

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DANCE WITH DEPRESSION ASSOCIATION LIMITED

REPORT OF THE EXECUTIVE BOARD MEMBERS

The Executive Board Members present their annual report and the audited financial statements for the year ended 31 March 2011.

PRINCIPAL ACTIVITIES

Dance With Depression Association Limited is an Association incorporated and domiciled in Hong Kong and has its registered office and principal place of business at Room 402, David House, 8-20 Nanking Street, Yaumatei, Kowloon, Hong Kong. The principal activities of the Association are the promotion of learning of the belief, skill and means of handling depression through the activities in supporting groups, education, exercises, sharing, interaction, training and research.

RESULTS

The results of the Association for the year ended 31 March 2011 and the state of the Association's affairs at that date are set out in the financial statements on pages 5 to 12.

FIXED ASSETS

Details of the movements in the property, plant and equipment of the Association during the year are set out in note 7 to the financial statements.

SHARE CAPITAL AND RESERVES

The Association was incorporated under the Companies Ordinance as a company limited by guarantee.

There are no movements in reserves except for changes to general fund which arose from surplus in income and expenditure account.

MEMBERS OF THE EXECUTIVE BOARD

The members of the Executive Board during the financial year and up to the date of this report were:-

Chan Wan Tung Therese
Cheung Kit Ying Andy
Cheung Suk Ying
Chung Ming Kai Hudson
Lee Suk Yee
Li Suk Han
Tso Man King (Resigned on 17/12/2011)
Wong Yuen Yung
Wong Hoi Man (Appointed on 17/12/2011)
Mui Kam Seung (Appointed on 17/12/2011)

In accordance with article 36 of the Association's Articles of Association, the executive board shall be triennially elected.

MEMBERS OF THE EXECUTIVE BOARD'S INTERESTS IN CONTRACTS OF SIGNIFICANCE

No contracts of significance, to which the Association was a party and in which Executive Board Members of the Association had a material interest, subsisted at the end of year or at any time during the year.

REPORT OF THE EXECUTIVE BOARD MEMBERS

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

AUDITOR

The financial statements have been audited by Messrs. Chan Chor Hung & Co., Certified Public Accountants, the auditors retire and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment is to be proposed at the forthcoming annual general meeting.

On behalf of the Executive Board



Chairman

Hong Kong, 28 JUN 2012

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF DANCE WITH DEPRESSION ASSOCIATION LIMITED**

(Incorporated in Hong Kong with limited by guarantee)

We have audited the financial statements of Dance With Depression Association Limited set out on pages 5 to 12, which comprise the balance sheet as at 31 March 2011, and the statement of income and reserves and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Executive Board Members' Responsibility for the Financial Statements

The executive board members are responsible for the preparation of financial statements that give a true and fair view in accordance with the Hong Kong Financial Reporting Standards for Private Entities issued by the Hong Kong Institute of Certified Public Accountants and the Hong Kong Companies Ordinance, and for such internal control as the executive board members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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 about 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 of financial statements that give a true and fair view 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 executive board members, 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.

CHAN CHOR HUNG & CO. Certified Public Accountants
陳楚雄會計師事務所

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF DANCE WITH DEPRESSION ASSOCIATION LIMITED
(Incorporated in Hong Kong with limited by guarantee)

Opinion

In our opinion, the financial statements give a true and fair view of the state of the Association's affairs as at 31 March 2011 and of its surplus and cash flows for the year then ended in accordance with the Hong Kong Financial Reporting Standards for Private Entities and have been properly prepared in accordance with the Hong Kong Companies Ordinance.


Chan Chor Hung & Co.
Certified Public Accountants (Practising)

Hong Kong, 28 JUN 2012

Room 1801A
Sunbeam Commercial Building
469-471 Nathan Road
Kowloon, Hong Kong

DANCE WITH DEPRESSION ASSOCIATION LIMITED

STATEMENT OF INCOME AND RESERVES

FOR THE YEAR ENDED 31 MARCH 2011

	<u>2011</u>	<u>2010</u>
	<u>HK\$</u>	<u>HK\$</u>
INCOMES		
Donations received	301,381	647,696
Programs income	39,480	36,336
Membership fee	10,950	4,000
OTHER INCOMES		
Interest income	207	85
Sundry income	5,836	2,450
	<hr/>	<hr/>
	357,854	690,567
EXPENDITURES		
Annual dinner expenses	32,039	31,680
Bank charges	-	50
Computer expenses	31,588	4,755
Depreciation	11,609	4,545
Honorarium	5,200	1,000
Insurance	2,008	1,113
Mandatory provident funds	8,300	9,250
Postage	356	112
Printing & stationery	12,030	10,500
Program expenses	47,846	30,493
Rent	22,200	30,455
Repair & maintenance	750	510
Salaries	166,000	99,600
Scholarship & training	5,600	33,200
Sundry expenses	2,779	2,536
Telephone	2,619	3,076
Utility expenses	1,607	1,294
	<hr/>	<hr/>
	352,531	264,169
	<hr/>	<hr/>
Surplus for the year	5,323	426,398
General fund brought forward	1,149,227	722,829
	<hr/>	<hr/>
General fund carried forward	1,154,550	1,149,227
	<hr/>	<hr/>

The annexed notes form part of these financial statements.

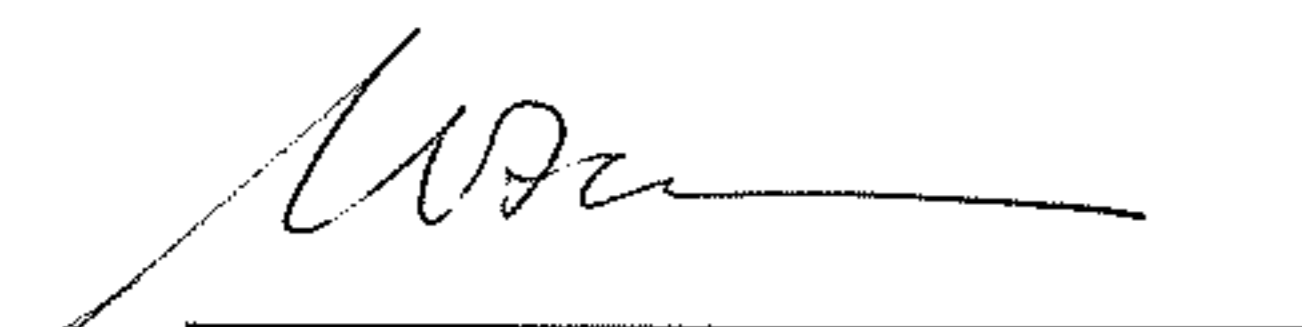
DANCE WITH DEPRESSION ASSOCIATION LIMITED


BALANCE SHEET

AS AT 31 MARCH 2011

	<u>NOTE</u>	<u>2011</u> <u>HK\$</u>	<u>2010</u> <u>HK\$</u>
NON-CURRENT ASSETS			
Fixed assets - property, plant and equipment	7	27,073	10,425
CURRENT ASSETS			
Cash and cash equivalents	8	1,156,327	1,150,652
CURRENT LIABILITIES			
Accruals		(19,350)	(4,350)
Deposits received		(9,500)	(7,500)
NET CURRENT ASSETS		<u>1,127,477</u>	<u>1,138,802</u>
TOTAL NET ASSETS		<u>1,154,550</u>	<u>1,149,227</u>
RESERVES			
General fund	10	<u>1,154,550</u>	<u>1,149,227</u>

Approved and authorised for issue by Executive Board on 28 JUN 2012


Executive Board Member
Chan Wan Tung Therese


Executive Board Member
Li Suk Han

The annexed notes form part of these financial statements.

DANCE WITH DEPRESSION ASSOCIATION LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2011

	<u>2011</u> <u>HK\$</u>	<u>2010</u> <u>HK\$</u>
OPERATING ACTIVITIES		
Surplus for the year	5,323	426,398
Adjustments for:		
Interest incomes	(207)	(85)
Depreciation	11,609	4,545
	-----	-----
Operating surplus before working capital changes	16,725	430,858
Increase in deposit from members	15,000	6,250
Increase/(Decrease) in accruals	2,000	(5,400)
	-----	-----
Net cash generated from operations	33,725	431,708
	-----	-----
INVESTING ACTIVITIES		
Interest incomes	207	85
Purchases of fixed assets	(28,257)	(5,326)
	-----	-----
Net cash used in investing activities	(28,050)	(5,241)
	-----	-----
FINANCING ACTIVITIES		
	-	-
	-----	-----
NET INCREASE IN CASH AND CASH EQUIVALENTS	5,675	426,467
CASH AND CASH EQUIVALENTS AT 1 APRIL	1,150,652	724,185
	-----	-----
CASH AND CASH EQUIVALENTS AT 31 MARCH	1,156,327	1,150,652
	=====	=====
ANALYSIS OF THE BALANCE OF CASH & CASH EQUIVALENTS		
Bank balances	1,156,327	1,150,652
	=====	=====

DANCE WITH DEPRESSION ASSOCIATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS

1. General information

Dance With Depression Association Limited is incorporated under Hong Kong Companies Ordinance as a company limited by guarantee and not having a share capital. The liability of each member is limited to the extent of HK\$1. The Association's registered office and principal place of business is located at Room 402, David House, 8-20 Nanking Street, Yaumatei, Kowloon, Hong Kong. The principal activities of the Association are engaged in the promotion of learning of the belief, skill and means of handling depression through the activities in supporting groups, education, exercises, sharing, interaction, training and research.

2. Summary of significant Accounting Policies

a) Basis of preparation

The Association's financial statements have been prepared in accordance with the Hong Kong Financial Reporting Standards for Private Entities (HKFRS for Private Entities) issued by the Hong Kong Institute of Certified Public Accountants (HKICPA) and the requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention.

The Association has not adopted any new standard or interpretation that is not yet effective for the current accounting year.

b) Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Where the Company acquires leasehold land for own use under a finance lease, the prepaid cost included in property, plant and equipment on initial recognition represents the fair value of the leasehold land, or if lower, the present value of the minimum lease payments, determined at the inception of the lease and any initial direct costs of the lessee (incremental costs that are directly attributable to negotiating and arranging a lease).

The other cost of such items of property, plant and equipment comprises the following:

i) the purchase price, including legal and brokerage fees, import duties and non-refundable purchase taxes, after deducting trade discounts and rebates;

ii) any costs directly attributable to bringing the asset to the location and condition necessary for them to be capable of operating in the manner intended by management;

iii) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

DANCE WITH DEPRESSION ASSOCIATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS

Depreciation is charged so as to allocate the cost of assets less their residual values over their estimated useful lives, using the straight-line method. Assets held under finance leases, for which there is no reasonable certainty that the Association will obtain ownership at the end of the lease term, are depreciated over their expected useful lives on the same basis as owned assets, or where shorter, the terms of the relevant lease. The following annual rates are used for the depreciation of property, plant and equipment:

Furniture & fixtures	25%
Office equipment	25%

If there is an indication that there has been a significant change in the depreciation rate, useful life or residual value of an asset, the depreciation of that asset is revised prospectively to reflect the new expectations.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The gain or loss arising from the retirement or disposal of fixed assets, representing the difference between the net disposal proceeds and the carrying amount of the asset, is recognised in the income and expenditure account.

c) 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:

Donation received are recognised whenever they are received.

Interest income is accrued on a time proportion basis.

Programs income are recognised whenever they are received.

d) Impairment of non-financial assets

At each reporting date, property, plant and equipment, intangible assets, and investments in a subsidiary and an associate are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If an estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in the income and reserves account.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in income and reserves account.

e) Payables

Payables are initially recognised at the transaction price and subsequently measured at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

DANCE WITH DEPRESSION ASSOCIATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS

f) Foreign currency translation

Functional and presentation currency

Items included in the financial statements of each of the Association are measured using the currency of the primary economic environment in which the entity operates (the functional currency). These financial statements are presented in Hong Kong dollars, which is the Association's functional and presentation currency.

Transactions and balances

Foreign currencies transactions are translated into the functional currency using the exchange rates prevailing at the dates of transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income and reserves accounts.

g) Employee benefit obligations

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

h) Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the Association. All other leases are classified as operating leases.

i) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less. Bank overdraft is shown within borrowings in current liabilities on the balance sheet.

3. Surplus for the year

Surplus for the year is stated after charging the following:-

	<u>2011</u> <u>HK\$</u>	<u>2010</u> <u>HK\$</u>
Audit fee	-	-
Depreciation	11,609	4,545
	<u>=====</u>	<u>=====</u>

DANCE WITH DEPRESSION ASSOCIATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS

4. Executive Board Members' emoluments

No Executive Board Member emoluments or fee were paid or are payable to any Executive Board Member of the Association during the year.

5. Revenue

Revenue represents donations, programs income and membership fee received.

	<u>2011</u> <u>HK\$</u>	<u>2010</u> <u>HK\$</u>
Donations received	301,381	647,696
Programs income	39,480	36,336
Membership fee	10,950	4,000
	<u>351,811</u>	<u>688,032</u>

6. Taxation

No provision for Hong Kong Profits Tax has been made in the financial statements as the Association is a charitable institution under Section 88 of Inland Revenue Ordinance and is exempted from Hong Kong Profits Tax.

No provision for deferred taxation has been made as there should be no future tax consequences.

7. Fixed assets - property, plant and equipment

	<u>Furniture & Fixtures</u> <u>HK\$</u>	<u>Office Equipment</u> <u>HK\$</u>	<u>Total</u> <u>HK\$</u>
Cost			
At 1/4/2010	8,260	9,924	18,184
Additions	428	27,829	28,257
At 31/3/2011	<u>8,688</u>	<u>37,753</u>	<u>46,441</u>
Accumulated depreciation			
At 1/4/2010	3,371	4,388	7,759
Charge for the year	2,171	9,438	11,609
At 31/3/2011	<u>5,542</u>	<u>13,826</u>	<u>19,368</u>
Carrying amount			
At 31/3/2011	<u>3,146</u>	<u>23,927</u>	<u>27,073</u>
At 31/3/2010	<u>4,889</u>	<u>5,536</u>	<u>10,425</u>

DANCE WITH DEPRESSION ASSOCIATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS

8. Cash & cash equivalents

	<u>2011</u> <u>HK\$</u>	<u>2010</u> <u>HK\$</u>
Cash at bank and on hand	1,156,327	1,150,652
	=====	=====

9. Employee benefit obligations

The Association operates a Mandatory Provident Fund Scheme (the MPF scheme) under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance and not previously covered by the defined benefit retirement plan. The MPF scheme is a defined contribution retirement plan administered by independent trustees. Under the MPF scheme, the employer and its employees are each required to make contributions to the plan at 5% of the employees' relevant income, subject to a cap of monthly relevant income of HK\$20,000. Contributions to the plan vest immediately.

10. General fund

The general fund of the Association is the fund accumulated for charitable purpose comprising reserves and accumulated surplus.

The Association manages its fund to ensure the entity will be able to continue as a going concern.

11. Comparative figures

Certain comparative figures have been re-classified to conform to the current year's presentation since the revised Statement of Standard Accounting Practice issued by Hong Kong Institute of Certified Public Accountants has adopted.

12. Approval of financial statements

These financial statements were authorised for issue by the Association's Executive Board on 28 June 2012.