

DANCE WITH DEPRESSION ASSOCIATION LIMITED

REPORTS AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2016

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DANCE WITH DEPRESSION ASSOCIATION LIMITED

REPORT OF THE EXECUTIVE BOARD MEMBERS

The Executive Board Members present their annual report together with the audited financial statements for the year ended 31 March 2016.

PRINCIPAL ACTIVITIES

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.

RESULT AND STATE OF AFFAIRS

The Association's results for the year ended 31 March 2016 and state of affairs at 31 March 2016 are set out in the accounts on page 5 to 10 of the financial statements.

RESERVES

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

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

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
Wong Yuen Yung
Wong Hoi Man
Mui Kam Seung

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

MANAGEMENT CONTRACT

No contracts concerning the managements and administration of the whole or any substantial part of the business of the Association were entered into or existed during the financial year.

PERMITTED INDEMNITY PROVISION

During the financial year, there were no permitted indemnity provisions in force for the benefit of one or more Executive Board Members of the Association.

DANCE WITH DEPRESSION ASSOCIATION LIMITED

REPORT OF THE EXECUTIVE BOARD MEMBERS

DEBENTURES ISSUED

During the financial year, there were no debentures issued by the Association.

EQUITY-LINKED ARRANGEMENTS

During the financial year, the Association entered into no equity-linked agreement.

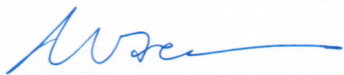
BUSINESS REVIEW

The Association falls within reporting exemption for the financial year. Accordingly, the Association is exempted from preparing a business review.

AUDITORS

The financial statements have been audited by Chan Chor Hung & Co., Certified Public Accountants, who retire and, being eligible, offer themselves for re-appointment.

On behalf of the Executive Board



Chairman: Chan Wan Tung Therese

HONG KONG, 11 DEC 2016

INDEPENDENT AUDITOR'S REPORT

TO THE ELECTIVE MEMBERS OF DANCE WITH DEPRESSION ASSOCIATION LIMITED

(incorporated in Hong Kong with limited liability)

We have audited the financial statements of Dance With Depression Association Limited set out on pages 5 to 10, which comprise the statement of financial position as at 31 March 2016, and the income statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Executive Board Members' Responsibility for the Financial Statements

The executive board members are responsible for the preparation of financial statements in accordance with the Small and Medium-sized Entity Financial Reporting Standard (SME-FRS) issued by the Hong Kong Institute of Certified Public Accountants 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.

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 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 the report.

We conducted our audit in accordance with Hong Kong Standards on Auditing 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 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 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 executive board members, as well as evaluating the overall presentation of the financial

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 ELECTIVE MEMBERS OF DANCE WITH DEPRESSION ASSOCIATION LIMITED

(incorporated in Hong Kong with limited liability)

Opinion

In our opinion, the financial statements of the Association for the year ended 31 March 2016 are prepared, in all material respects, in accordance with the SME-FRS and have been properly prepared in compliance with the Hong Kong Companies Ordinance.


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

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

Date: 11 DEC 2016

Chan Chor Hung
Practising Certificate Number P02435

DANCE WITH DEPRESSION ASSOCIATION LIMITED

INCOME STATEMENT

FOR THE YEAR ENDED 31 MARCH 2016

	<u>Note</u>	<u>2016</u> <u>HK\$</u>	<u>2015</u> <u>HK\$</u>
Revenue	4	1,899,886	3,517,279
Other revenues		8,350	6,050
Total revenues		1,908,236	3,523,329
Depreciation	6	(12,547)	(8,832)
Staff cost		(390,466)	(290,325)
Other operating expenses		(832,471)	(581,868)
Surplus for the year	2	672,752	2,642,304

The accompanying Accounting Policies and Explanatory Notes form an integral part of, and should be read in conjunction with, these financial statements.

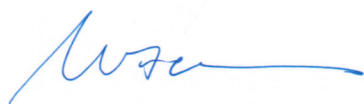
DANCE WITH DEPRESSION ASSOCIATION LIMITED

STATEMENT OF FINANCIAL POSITION

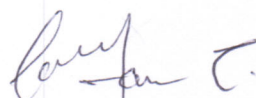
AS AT 31 MARCH 2016

	<u>NOTE</u>	<u>2016</u> <u>HK\$</u>	<u>2015</u> <u>HK\$</u>
NON-CURRENT ASSETS			
Property, plant and equipment		35,476	25,385
		-----	-----
CURRENT ASSETS			
Deposits paid		21,733	21,733
Bank balances		7,875,685	7,216,271
		-----	-----
		7,897,418	7,238,004
		-----	-----
CURRENT LIABILITIES			
Deposit received		(4,500)	(4,500)
Accruals		(9,000)	(12,247)
		-----	-----
NET CURRENT ASSETS		7,883,918	7,221,257
		-----	-----
NET ASSETS		7,919,394	7,246,642
		=====	=====
RESERVE			
General fund	7	7,919,394	7,246,642
		=====	=====

Approved on behalf of the Executive Board by:



Executive Board Member
Chan Wan Tung Therese



Executive Board Member
Li Suk Han

The accompanying Accounting Policies and Explanatory Notes form an integral part of, and should be read in conjunction with, these financial statements.

DANCE WITH DEPRESSION ASSOCIATION LIMITED
ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2015

Reporting entity

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 elective 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.

1. Basis of preparation and accounting policies

The Association qualifies for the reporting exemption as a small guarantee association under section 359(1)(a) and 363 of the Hong Kong Companies Ordinance (Cap. 622) and is therefore entitled to prepare and present its annual financial statements in accordance with the Small and Medium-sized Entity Financial Reporting Standard (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) 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 lives using the straight-line method at the following rates per

Furniture & fixtures	25%
Office equipment	25%
Leasehold improvement	20%

b) 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) donation received is recognised whenever it is received;
- ii) membership fee is recognised when it is received or transferred from deposit received;
- iii) program income is recognised whenever it is received; and
- iv) interest income is recognised on a time proportion basis taking into account the principal outstanding and the interest applicable.

DANCE WITH DEPRESSION ASSOCIATION LIMITED
ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

c) 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.

d) Foreign currency transactions

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

Foreign currency transactions are converted at the exchange rate applicable at the transaction date. Foreign currency monetary items are translated into Hong Kong Dollars using exchange rates applicable at the end of the reporting period. Gains and losses on foreign exchange are recognised in the income statement.

e) Retirement benefit costs

Obligation 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.

f) Operating lease

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 statement on a straight-line basis over the lease term.

2. Surplus for the year

Surplus is stated after charging the following:-

	<u>2016</u>	<u>2015</u>
	<u>HK\$</u>	<u>HK\$</u>
Depreciation	12,547	8,832
Operating lease	75,384	60,749
Staff cost	390,466	290,325
	=====	=====

3. 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 (2015: Nil).

DANCE WITH DEPRESSION ASSOCIATION LIMITED
ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

4. Revenue

An analysis of the Association's revenue is as follows:

	<u>2016</u> <u>HK\$</u>	<u>2015</u> <u>HK\$</u>
Donations received	1,751,405	3,313,134
Programs income	137,155	95,312
Membership fee	9,900	9,450
Grant received	-	98,377
Interest income	1,426	1,006
	----- 1,899,886	----- 3,517,279
	=====	=====

5. Income tax expenses

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. Deferred tax is not provided.

6. Fixed assets - property, plant and equipment

	<u>Leasehold</u> <u>Improvement</u> <u>HK\$</u>	<u>Furniture &</u> <u>Fixtures</u> <u>HK\$</u>	<u>Office</u> <u>Equipment</u> <u>HK\$</u>	<u>Total</u> <u>HK\$</u>
Cost				
At 1/4/2015	24,800	15,807	46,128	86,735
Additions	-	-	22,638	22,638
	-----	-----	-----	-----
At 31/3/2016	24,800	15,807	68,766	109,373
	-----	-----	-----	-----
Accumulated depreciation				
At 1/4/2015	4,960	11,274	45,116	61,350
Charge for the year	4,960	1,544	6,043	12,547
	-----	-----	-----	-----
At 31/3/2016	9,920	12,818	51,159	73,897
	-----	-----	-----	-----
Carrying amount				
At 31/3/2016	14,880	2,989	17,607	35,476
	=====	=====	=====	=====
At 31/3/2015	19,840	4,533	1,012	25,385
	=====	=====	=====	=====

DANCE WITH DEPRESSION ASSOCIATION LIMITED
ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

7. Changes in general fund

	<u>General</u> <u>Fund</u> <u>HK\$</u>
Balance as at 31 March 2015	7,246,642
Surplus for the year	672,752

Balance as at 31 March 2016	7,919,394
	=====

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

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

8. Commitments under operating leases

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

	<u>2016</u> <u>HK\$</u>	<u>2015</u> <u>HK\$</u>
Not later than one year	30,160	72,384
Later than one year	-	30,160
	-----	-----
	30,160	102,544.00
	=====	=====

9. Approval of financial statements

These financial statements were authorised for issue by the Association's Executive Board on 15 December 2016.

DANCE WITH DEPRESSION ASSOCIATION LIMITED
DETAILED INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2016
(For Management Purposes Only)

	<u>2016</u> <u>HK\$</u>	<u>2015</u> <u>HK\$</u>
REVENUE		
Donations received	1,751,405	3,313,134
Programs income	137,155	95,312
Membership fee	9,900	9,450
Grant received	-	98,377
Interest income	1,426	1,006
OTHER REVENUES		
Sundry income	8,350	6,050
	----- 1,908,236	----- 3,523,329
EXPENDITURES		
Advertisement	1,152	-
Annual dinner expenses	106,901	99,218
Computer expenses	6,381	5,812
Depreciation	12,547	8,832
Insurance	4,406	3,404
Mandatory provident funds	36,782	12,735
Printing & stationery	8,376	3,211
Program expenses	612,063	398,388
Rent	75,384	60,749
Repair & maintenance	4,624	-
Salaries	353,684	277,590
Scholarship & training	5,200	-
Sundry expenses	2,000	6,170
Telephone	3,057	2,816
Utility expenses	2,927	2,100
	----- 1,235,484	----- 881,025
SURPLUS FOR THE YEAR	=====	=====
	672,752	2,642,304

The financial information for Dance With Depression Association Limited relating to the year ended 31 March 2016 included in the detailed income statement are not the Association's statutory annual financial statements for that year. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Companies Ordinance is as follows:

The Association has delivered its financial statement for the year ended 31 March 2016 to the Registrar of Companies as it is required by section 662(3) of, and Part 3 of Schedule 6 to, the Companies Ordinance.

The company's auditor has reported on those financial statements. The auditor's report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2), 407(2) or (3) of the Companies Ordinance.