

**CHILDREN CHIROPRACTIC FOUNDATION LIMITED**

**(LIMITED BY GUARANTEE)**

REPORTS AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2021



**蔡羅會計師事務所**  
**CHOI, LO & CO.**  
Certified Public Accountants

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**CHILDREN CHIROPRACTIC FOUNDATION LIMITED  
(LIMITED BY GUARANTEE)  
REPORTS AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH 2021**

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**CHILDREN CHIROPRACTIC FOUNDATION LIMITED  
(LIMITED BY GUARANTEE)  
EXECUTIVE COMMITTEE'S REPORT**

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The Executive Committee has pleasure in presenting its annual report together with the audited financial statements of Children Chiropractic Foundation Limited for the year ended 31st March 2021.

**PRINCIPAL PLACE OF BUSINESS**

Children Chiropractic Foundation Limited (the Association) is a company incorporated and domiciled in Hong Kong and has its registered office and principal place of business at G/F, 24-26 Kai Tak Road, Kowloon City, Kowloon, Hong Kong.

**PRINCIPAL ACTIVITY**

The principal activities of the Association are organise and prepare a diversity of educational programs and social services for the promotion, improvement and advancement of the interest of the public in Hong Kong and elsewhere in children's spinal health.

**PROFIT AND LOSS**

	HK\$
Surplus brought forward	7,093,278.91
Surplus for the year	499,076.46
Surplus carried forward	<u>7,592,355.37</u>

**EXECUTIVE COMMITTEE MEMBERS**

The executive committee members of the Association during the year were as follows:-

Yeung Kwok Keung Dennis  
Chau Win Chee Wendy  
Wan Man Ho  
Lo Suk Yu  
So Ka Man Carman  
Chow Hak Shun Steven  
Hung Wai Shing  
Yeung Wing Kee  
Tong Yau Tin (Resigned on 18th February 2021)

In accordance with the Association's Articles of Association, all the executive committee members shall retire and, being eligible, offer themselves for re-election.

Other

There are no other disclosures required under the Companies Ordinance.

**CHILDREN CHIROPRACTIC FOUNDATION LIMITED  
(LIMITED BY GUARANTEE)  
EXECUTIVE COMMITTEE'S REPORT**

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**AUDITORS**

The accounts have been audited by Messrs. Choi, Lo & Co. Certified Accountants (Practising), who retire and, being eligible, offer themselves for re-appointment.

On behalf of the Executive Committee

x 

Chairman  
Yeung Kwok Keung Dennis  
Hong Kong ,17th December 2021

x 

Vice-Chairman  
Wan Man Ho  
Hong Kong ,17th December 2021

x 

Treasurer  
Lo Suk Yu  
Hong Kong ,17th December 2021



# CHOI, LO & CO.

Certified Public Accountants (Practising)  
Rooms 1002-3, 10/F., Tai Yau Building,  
181 Johnston Road, Wanchai, Hong Kong.  
Tel: (852) 2572 8938 Fax: (852) 2572 1738  
E-mail: info@choiloco.com.hk

Principal Partners 合夥人  
**Ronnie K. W. Choi**  
CPA (Practising) CPA (Aust.) HKCTA

**蔡國偉**

香港執業會計師  
澳洲註冊會計師  
香港註冊稅務師  
香港華人會計師公會理事

**Kelvin K. F. Lo**  
CPA (Practising) ACCA HKCTA

**羅金發**

香港執業會計師  
英國特許會計師  
香港註冊稅務師

蔡羅會計師事務所  
香港灣仔莊士敦道一八八號  
電話：(852) 2572 8938  
傳真：(852) 2572 1738  
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## INDEPENDENT AUDITORS' REPORT TO MEMBERS OF CHILDREN CHIROPRACTIC FOUNDATION LIMITED

(incorporated in Hong Kong and limited by guarantee)

### OPINION

We have audited the financial statements of Children Chiropractic Foundation Limited ("the Association") set out on pages 5 to 10, which comprise the statement of financial position as at 31st March 2021, and statement of comprehensive income 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 PN 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 Company in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other 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.

### OTHER INFORMATION

The executive committee members are responsible for the other information. The other information comprises the executive committee member's 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.

**INDEPENDENT AUDITORS' REPORT  
TO MEMBERS OF CHILDREN CHIROPRACTIC FOUNDATION LIMITED**

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(incorporated in Hong Kong and limited by guarantee)

**OTHER INFORMATION (CONTINUED)**

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.

**EXECUTIVE COMMITTEE MEMBERS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS**

The executive committee 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. 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.

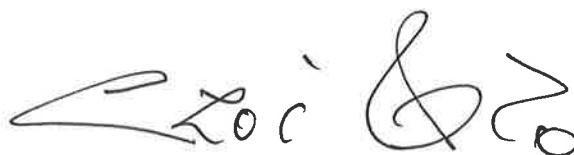
**AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

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. We report our opinion 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 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.

A further description of our responsibilities for the audit of the financial statements is located at the HKICPA's website at:

<http://www.hkicpa.org.hk/en/standards-and-regulations/standards/auditing-assurance/auditre/>

This description forms part of our auditor's report



CHOI, LO & CO.  
Certified Public Accountants (Practising)  
Room 1002, 10/F., Tai Yau Building,  
181 Johnston Road, Wanchai, Hong Kong  
Hong Kong, 17th December 2021

**CHILDREN CHIROPRACTIC FOUNDATION LIMITED**  
**(LIMITED BY GUARANTEE)**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31ST MARCH 2021**

	NOTE	2021 HK\$	2020 HK\$
Donations received	1(c)	1,677,918.78	2,056,472.00
Other income		6,013,829.18	5,078,792.27
Staff costs		(3,251,059.42)	(2,640,614.96)
Other operating expenses		(3,935,569.36)	(4,317,964.60)
Surplus from operations		<u>505,119.18</u>	<u>176,684.71</u>
Finance cost		(6,042.72)	(1,652.50)
Surplus before taxation		<u>499,076.46</u>	<u>175,032.21</u>
Taxation	4	-	-
Surplus for the year		<u><u>499,076.46</u></u>	<u><u>175,032.21</u></u>


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

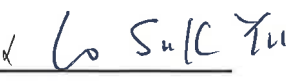
**CHILDREN CHIROPRACTIC FOUNDATION LIMITED**  
**(LIMITED BY GUARANTEE)**  
**STATEMENT OF FINANCIAL POSITION**  
**FOR THE YEAR ENDED 31ST MARCH 2021**

	NOTE	2021 HK\$	2020 HK\$
<b>NON CURRENT ASSETS</b>			
Fixed assets	8	31,844.23	7,529.20
<b>CURRENT ASSETS</b>			
Account receivable		-	12,000.00
Cash and cash equivalents		7,096,832.56	6,845,375.45
Investment	7	693,266.09	-
Deposit		276,740.00	281,740.00
Prepayment		141,600.00	-
		<u>8,208,438.65</u>	<u>7,139,115.45</u>
<b>CURRENT LIABILITIES</b>			
Accrual		16,915.00	53,365.74
Bank overdraft		193,453.24	-
Receipt in advance		437,559.27	-
		<u>647,927.51</u>	<u>53,365.74</u>
<b>NET CURRENT ASSETS</b>		<u>7,560,511.14</u>	<u>7,085,749.71</u>
<b>NET ASSETS</b>		<u>7,592,355.37</u>	<u>7,093,278.91</u>
<b>REPRESENTING:-</b>			
<b>FOUNDATION FUND</b>		-	-
<b>ACCUMULATED FUND - SURPLUS</b>		<u>7,592,355.37</u>	<u>7,093,278.91</u>
		<u>7,592,355.37</u>	<u>7,093,278.91</u>

Approved by the Executive Committee on 17th December 2021.

  
Chairman  
Yeung Kwok Keung Dennis

  
Vice-Chairman  
Wan Man Ho

  
Treasurer  
Lo Suk Yu

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



**CHILDREN CHIROPRACTIC FOUNDATION LIMITED  
(LIMITED BY GUARANTEE)  
NOTES TO THE FINANCIAL STATEMENTS**

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REPORTING ENTITY

Children Chiropractic Foundation Limited ("the Association") is a company incorporated in Hong Kong limited by guarantee and not having a share capital. The liability of the members is limited to HK\$10 per member in the event of the company being wound up, whilst they remain a member, or within one year after they cease to be a member. The Association's registered office is located at G/F, 24-26 Kai Tak Road, Kowloon City, Kowloon, Hong Kong.

The principal activities of the Association are promoting better relationship and the spirit of mutual assistance among members of the Association .

1. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

- (a) The Association qualifies for the reporting exemption as a small private company under section 359(1)(a) of the Hong Kong Companies Ordinance (Chapter 622) and is therefore entitled to prepare and present its 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.

- (b) Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and in hand and short-term fixed deposits.

- (c) Donations and recognition of income

Donations and income are recognised when they are received.

2. SIGNIFICANT ACCOUNTING POLICIES

- (a) Depreciation

Depreciation on fixed assets is provided on a straight line basis over their anticipated useful lives as follows:-

Furniture and fixtures	5 years
Computer equipment	3-1/3 years
Leasehold improvement	3 years

**CHILDREN CHIROPRACTIC FOUNDATION LIMITED**  
**(LIMITED BY GUARANTEE)**  
**NOTES TO THE FINANCIAL STATEMENTS**

3. EXECUTIVE COMMITTEE MEMBERS' EMOLUMENTS

Executive committee members' emoluments disclosed pursuant to Section 383(1) of the Companies Ordinance is as follow:-

	2021 HK\$	2020 HK\$
As members of committee	-	-
For other offices	-	-

4. INCOME TAX

The Association is listed as an approved charitable institution of a public character under Section 88 of the Inland Revenue Ordinance and, as such, is exempted from all taxes.

5. CHANGES IN EQUITY

	Foundation fund HK\$	Accumulated fund HK\$	Total HK\$
At 31st March 2019	-	6,918,246.70	6,918,246.70
Surplus for the year	-	175,032.21	175,032.21
At 31st March 2020	-	7,093,278.91	7,093,278.91
Surplus for the year	-	499,076.46	499,076.46
At 31st March 2021	-	7,592,355.37	7,592,355.37

6. FLAG DAY FUND RAISING

Children Chiropractic Foundation Limited organized the Territory-wide Flag Day on July 29, 2020. The allocation of usage of the flag day net proceeds with item breakdowns has been complied with proposed usage allocation, including 37.4% used to support Children Complimentary Chiropractic Adjustment Program for low income students; 4.7% used for "Spinal Friend" mutual support group; 9.3% used for chiropractic care and spinal exercise certificate course; 6.5% used for Parent-child Chiropractic care and spinal exercise workshop, 28.1% used for treatment services at concessionary rate; 9.3% used for community promotion event and 4.7% used for free consultation day.

**CHILDREN CHIROPRACTIC FOUNDATION LIMITED**  
**(LIMITED BY GUARANTEE)**  
**NOTES TO THE FINANCIAL STATEMENTS**

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7. INVESTMENT

	2021 HK\$	2020 HK\$
Listed investment		
Acquisition cost	<u>693,266.09</u>	<u>-</u>
Market value as at 31/03/2021	<u>679,500.00</u>	<u>-</u>

CHILDREN CHIROPRACTIC FOUNDATION LIMITED  
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENT

8. FIXED ASSETS	Furniture & Fixtures HK\$	Computer equipment Equipment HK\$	Leasehold Improvement HK\$	Total HK\$
<u>Cost</u>				
At 1.4.2020	23,146.00	71,241.50	2,192,480.00	2,286,867.50
Additions	-	18,587.00	23,900.00	42,487.00
At 31.03.2021	23,146.00	89,828.50	2,216,380.00	2,329,354.50
<u>Depreciation</u>				
At 1.4.2020	15,616.80	71,241.50	2,192,480.00	2,279,338.30
Charge for the year	4,629.20	5,576.10	7,966.67	18,171.97
At 31.03.2021	20,246.00	76,817.60	2,200,446.67	2,297,510.27
<u>Net book value</u>				
At 31.03.2021	2,900.00	13,010.90	15,933.33	31,844.23
At 31.03.2020	7,529.20	-	-	7,529.20

(For management purposes only)

**CHILDREN CHIROPRACTIC FOUNDATION LIMITED**  
**(LIMITED BY GUARANTEE)**  
**DETAILED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31ST MARCH 2021**

	NOTE	2021 HK\$	2020 HK\$
<b>DONATIONS RECEIVED</b>			
Charity sale		13,051.00	-
Corporate		95,571.34	-
Donations from schools events		860.00	346,951.00
Flag day	6	1,169,609.51	1,209,022.00
General		382,556.43	469,611.00
Golf tournament donation		16,270.50	30,888.00
		<u>1,677,918.78</u>	<u>2,056,472.00</u>
<b>ADD: OTHER INCOME</b>			
Community Chest		1,269,120.00	1,306,700.00
Community activity		24,620.00	-
Interest income		143,840.33	19,337.77
Jockey club project donation		471,644.85	499,000.00
Kids first chiropractic centre income		3,399,390.00	3,191,710.00
Scheme for Children's Well-being and Development		-	60,239.50
Scheme for Employment Support		705,012.00	-
Membership Income		202.00	1,805.00
		<u>7,691,747.96</u>	<u>7,135,264.27</u>
<b>LESS: EXPENSES</b>		<u>(7,192,671.50)</u>	<u>(6,960,232.06)</u>
<b>SURPLUS BEFORE TAXATION</b>		<u><u>499,076.46</u></u>	<u><u>175,032.21</u></u>

(For management purposes only)

**CHILDREN CHIROPRACTIC FOUNDATION LIMITED**  
**(LIMITED BY GUARANTEE)**  
**DETAILED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31ST MARCH 2021**

	NOTE	2021 HK\$	2020 HK\$
LESS: EXPENSES			
Accounting fee		18,000.00	-
Audit fee		4,500.00	4,000.00
Bank charges		6,042.72	1,652.50
Cleaning expenses		49,345.00	42,534.70
Community Chest project expenses		533,647.06	753,596.51
Depreciation	8	18,171.97	362,246.68
Flag Day expenses	6	42,156.80	89,943.60
Funding scheme for Children's Well-being and Development		5,955.10	58,253.39
Golf tournament expenses		-	43,259.20
Insurance		13,252.13	6,262.78
Jockey Club project expenses		514,949.40	345,833.20
Kids first chiropractic centre expenses		1,530,798.50	1,215,786.90
Management fee		4,774.00	22,662.00
Membership fee		3,700.00	8,331.00
MPF - Community Chest		27,410.60	20,812.00
MPF - Children Chiropractic Foundation		66,253.53	48,089.87
MPF - Jockey Club		23,664.20	6,076.28
MPF - Kids first chiropractic centre		33,061.25	47,287.63
Postage and courier		2,520.00	1,379.30
Programme expenses		116,307.40	67,370.70
Rental expenses		921,240.00	1,039,300.00
Repair and maintenance		51,991.40	44,019.10
Salaries - Community Chest		535,200.00	416,244.00
Salaries - Children Chiropractic Foundation		1,422,802.11	1,019,858.26
Salaries - Jockey Club		473,202.73	117,841.38
Salaries - Kids first chiropractic centre		669,465.00	964,405.54
Straighten Up HK Fund Raising Event		17,140.00	128,803.10
Staff messing and welfare		8,065.60	3,874.00
Staff training		24,381.70	-
Sundry expenses		16,140.40	23,502.70
Telecommunication		18,444.00	24,227.04
Transportation		4,271.20	2,323.70
Utilities		15,817.70	30,455.00
		<u>7,192,671.50</u>	<u>6,960,232.06</u>