HELPING HAND
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

CONTENTS

HELPING HAND (LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL)

REPORT OF THE EXECUTIVE COMMITTEE

The Executive Committee has pleasure in submitting its annual report together with the audited financial statements for the year ended 31 March 2017.

PRINCIPAL PLACE OF OPERATION

Helping Hand ("the Company") is a company incorporated and domiciled in Hong Kong and has its registered office and principal place of operation at 1/F., 12 Borrett Road, Hong Kong.

PRINCIPAL ACTIVITIES

The principal activities of the Company and its subsidiary ("the Group") are to provide care, housing and recreational facilities, including care homes, housing for the elderly and a holiday resort centre cum day care centre, for the needy elderly of Hong Kong and the People's Republic of China.

RESULTS

The results of the Group for the year are set out in the consolidated statement of surplus or deficit and other comprehensive income and expenditure account on page 4.

EXECUTIVE COMMITTEE MEMBERS

The executive committee members of the Company during the financial year and up to the date of this report were:

Mrs. Johanna Arculli (Chairman)
Mr. Michael Tze-hau Lee (Vice-chairman)
Mr. Tim-leung Lui (Hon Treasurer)
Mrs. Veronica Tao Chevalier (Hon Secretary)
Ms. Edith Shih (Hon Legal Advisor)
Hon Mr. Justice Kemal Bokhary
Dr. David Lok-kwan Dai
Ms. Regina Fuk-ching Gan
Mrs. Lena Harilela
Mr. Leo Lin-cheng Kung
Ms. Christina Oi-ping Lee
Dr. Joseph Lee
Dr. Jessica Ogilvy-Stuart
Mrs. Nancy Giok-ching Thompson
Mr. Peter Hon-man Tsang
Mr. Simon Yun-sang Yung
Mr. Gary Kin-man Yau
Ms. Siemen Sin-man Tsoi
Ms. Nerissa Yuen-ki Chow
Dr. Abraham Sek-tong Lue (deceased on 28 April 2016)

In accordance with Articles 15 of the Company's Articles of Association, all executive committee members of the Executive Committee retire from the committee and, being eligible, offer themselves for re-election.

A full list of the names of the directors of the Company's subsidiary is shown in note 9 to the consolidated financial statements.

INDEMNITY OF EXECUTIVE COMMITTEE MEMBERS

A permitted indemnity provision (as defined in section 469 of the Hong Kong Companies Ordinance) for the benefit of the executive committee members of the Company is currently in force and was in force throughout this year.

MANAGEMENT CONTRACTS

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

EXECUTIVE COMMITTEE MEMBERS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

No transaction, arrangement or contract of significance in relation to the Group's operation to which the Company or its subsidiary was a party and in which an executive committee member of the Company had a material interest, whether directly or indirectly, subsisted at the end of the reporting period or at any time during the year.

EXECUTIVE COMMITTEE MEMBERS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the year was the Company or its subsidiary a party to any arrangement to enable the executive committee members of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

AUDITORS

The financial statements have been audited by CCIF CPA Limited, who retire and, being eligible, offer themselves for re-appointment.

On behalf of the Executive Committee

Johanna Arculli

Chairman, Executive Committee
Hong Kong, 19 September 2017

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF HELPING HAND

(Incorporated in Hong Kong as a company limited by guarantee and not having a share capital)

Opinion

We have audited the consolidated financial statements of Helping Hand ("the Company") and its subsidiary ("the Group") set out on pages 4 to 34, which comprise the consolidated statement of financial position as at 31 March 2017, and the consolidated statement of surplus or deficit and other comprehensive income and expenditure account, the consolidated statement of changes in funds employed and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2017, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") 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 ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group 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 consolidated financial statements and auditor's report thereon

The Executive Committee is responsible for the other information. The other information comprises all the information included in the annual report, other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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.

Responsibilities of the Executive Committee for the consolidated financial statements

The Executive Committee is responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the Hong Kong Companies Ordinance, and for such internal control as the Executive Committee determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Executive Committee is responsible for assessing the Group'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 Executive Committee either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HELPING HAND (Continued)

(Incorporated in Hong Kong as a company limited by guarantee and not having a share capital)

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 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 consolidated financial statements.

As part of an audit in accordance with HKSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Executive Committee.
- Conclude on the appropriateness of the Executive Committee's 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 Group'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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Executive Committee 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.

CCIF CPA LIMITED

CCIF CPA Limited
Certified Public Accountants
Hong Kong, 19 September 2017

Sze Chor Chun, Yvonne
Practising Certificate Number P05049

CONSOLIDATED STATEMENT OF SURPLUS OR DEFICIT AND OTHER COMPREHENSIVE INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2017

	Note	2017 HK$	2016 HK$
OPERATING INCOME AND EXPENDITURE			
Community Chest allocation	21(b)	2,722,600	2,784,160
Donations			
- Others	21(b)	1,712,139	1,782,764
Interest income		42,916	70,515
Lump sum grant		43,452,155	41,231,426
Meal income		5,915,895	7,244,395
Meal income from staff		271,236	270,079
Rental income		21,597,330	19,132,733
Sundry income		1,437,342	1,558,798
SWD Subvention for homes		9,576,358	8,455,728
SWD others		1,263,890	165,255
Total operating income (Appendix I)		87,991,861	82,695,853
Less: Operating expenditure (Appendix I)		(99,276,600)	(92,929,205)
		(11,284,739)	(10,233,352)
Donations for capital costs			
- SWD – Block Grants		632,671	277,265
- SWD – Lotteries Fund		5,500	-
- Others	21(b)	1,972,843	1,314,965
		2,611,014	1,592,230
		(8,673,725)	(8,641,122)
ADMINISTRATIVE INCOME AND EXPENDITURE			
Community Chest allocation	21(a)	449,000	449,000
Exchange gain		-	76,715
Fair value gain on financial assets at fair value through profit or loss		1,573,487	-
General donations	21(b)	1,107,095	845,703
Interest income		262,415	256,009
Lump sum grant		6,246,255	7,346,822
Membership fee and sponsoring membership		16,840	16,880
Sundry income		34,391	301,892
SWD - Others		117,771	208,169
Total administrative income		9,807,254	9,501,190
Less: Administrative expenditure		(7,016,133)	(8,886,061)
Depreciation of property, plant and equipment		(3,880,478)	(3,976,985)
Net administrative deficit (Appendix II)		(1,089,357)	(3,361,856)
FUND RAISING EVENTS INCOME, NET			
Cookie Campaign (Appendix III)		4,110,073	4,397,286
Other fund raising events (Appendix IV)		172,432	470,384
		4,282,505	4,867,670
HOLIDAY CENTRE – DEFICIT FOR THE YEAR	5	(638,172)	(744,923)
DEFICIT FOR THE YEAR		(6,118,749)	(7,880,231)
Other comprehensive expenditure for the year			
Item that may be reclassified subsequently to surplus or deficit:			
Exchange differences on translation of financial statements of overseas operation		(3,255,499)	(2,862,291)
TOTAL COMPREHENSIVE EXPENDITURE FOR THE YEAR		(9,374,248)	(10,742,522)

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 31 MARCH 2017

	Note	2017 HK$	2016 HK$
NON-CURRENT ASSETS			
Property, plant and equipment	6	155,410,702	164,935,517
Prepaid land lease payments	7	3,199,512	3,523,660
Financial assets at fair value through profit or loss	8	12,095,044	9,128,088
		170,705,258	177,587,265
CURRENT ASSETS			
Inventories	10	64,739	62,718
Prepaid land lease payments	7	103,745	110,668
Trade and other receivables	11	10,433,048	9,986,864
Deposits with banks (maturity over 3 months)	12(b)	22,097,411	10,825,816
Cash and cash equivalents	12(a)	30,935,002	45,820,736
		63,633,945	66,806,802
CURRENT LIABILITIES			
Trade and other payables	13	22,028,499	21,490,491
Deferred income	14	130,934	90,091
		(22,159,433)	(21,580,582)
NET ASSETS		212,179,770	222,813,485
FUNDS EMPLOYED			
General deficit		(43,831,426)	(37,712,677)
General reserve		1,885,526	1,885,526
Exchange reserve		5,563,134	8,818,633
Christa Tisdall Fund	15	13,239	13,239
The Hong Kong Jockey Club Charities Trust	16	86,276,361	86,276,361
SWD Reserve Fund - Central Administrative Support	19	1,763,383	3,022,850
Holiday Centre project:			
Gold Coin Fund	17	77,636,711	77,636,711
SWD Reserve Fund	18	2,091,898	2,091,898
Others		1,316,280	1,316,280
SWD Lotteries Fund	20	79,464,664	79,464,664
TOTAL FUNDS EMPLOYED		212,179,770	222,813,485

Approved and authorised for issue by the executive committee on 19 September 2017.

Mrs. Johanna Arculli
Executive Committee member

Mr. Tim-leung Lui
Executive Committee member

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN FUNDS EMPLOYED

FOR THE YEAR ENDED 31 MARCH 2017

	General Reserve	Exchange Reserve	Christa Tisdall Fund	The Hong Kong Jockey Club Charities Trust	Gold Coin Fund
	HK$	HK$	HK$	HK$	HK$
At 1 April 2015	1,885,526	11,680,924	13,239	86,276,361	77,636,711
Transfer	-	-	-	-	-
Expenditure paid for programmes	-	-	-	-	-
Total comprehensive expenditure for the year	-	(2,862,291)	-	-	-
At 31 March 2016 and 1 April 2016	1,885,526	8,818,633	13,239	86,276,361	77,636,711
Transfer	-	-	-	-	-
Expenditure paid for programmes	-	-	-	-	-
Total comprehensive expenditure for the year	-	(3,255,499)	-	-	-
At 31 March 2017	1,885,526	5,563,134	13,239	86,276,361	77,636,711

The accompanying notes form part of these financial statements.

	SWD Reserve Fund				
Holiday Centre Project - Others	Holiday Centre	Central Administrative Support	SWD Lotteries Fund	General Deficit	Total
HK$	HK$	HK$	HK$	HK$	HK$
1,316,280	2,091,898	4,861,285	79,464,664	(30,961,680)	234,265,208
-	-	(1,129,234)	-	1,129,234	-
-	-	(709,201)	-	-	(709,201)
-	-	-	-	(7,880,231)	(10,742,522)
1,316,280	2,091,898	3,022,850	79,464,664	(37,712,677)	222,813,485
-	-	-	-	-	-
-	-	(1,259,467)	-	-	(1,259,467)
-	-	-	-	(6,118,749)	(9,374,248)
1,316,280	2,091,898	1,763,383	79,464,664	(43,831,426)	212,179,770

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2017

	Note	2017 HK$	2016 HK$
OPERATING ACTIVITIES			
Deficit for the year		(6,118,749)	(7,880,231)
Adjustments for:			
Depreciation		10,944,978	11,862,444
Amortisation of prepaid land lease payments		107,207	113,517
Interest income		(305,331)	(326,524)
Donations received		(7,544,490)	(6,882,473)
Provision for untaken annual leave		7,126	2,771
Provision for long service payment		283,583	502,576
Fair value (gain)/ loss on financial assets at fair value through profit or loss		(1,573,487)	1,782,355
Foreign exchange gain		-	(76,715)
Net loss on disposal of property, plant and equipment		69,571	307,209
		(4,129,592)	(595,071)
CHANGES IN WORKING CAPITAL			
Increase in inventories		(2,021)	(6,413)
(Increase)/ decrease in trade and other receivables		(446,184)	573,327
Increase in trade and other payables		247,289	433,797
Increase/ (decrease) in deferred income		40,831	(17,051)
NET CASH (USED IN)/ GENERATED FROM OPERATING ACTIVITIES		(4,289,677)	388,589
INVESTING ACTIVITIES			
Interest received		305,353	326,563
Dividend received		425,244	354,769
Increase in deposits with banks (maturity over 3 months)		(11,271,595)	(2,039,712)
Payment for the purchases of financial assets at fair value through profit or loss		(3,485,617)	(2,326,807)
Payment for the purchases of property, plant and equipment		(4,515,297)	(6,015,639)
Proceeds from disposal of financial assets at fair value through profit or loss		1,666,904	41,284
NET CASH USED IN INVESTING ACTIVITIES		(16,875,008)	(9,659,542)
FINANCING ACTIVITIES			
Net amount paid from Funds		(1,259,467)	(709,201)
Donations received		7,544,490	6,882,473
NET CASH GENERATED FROM FINANCING ACTIVITIES		6,285,023	6,173,272
NET DECREASE IN CASH AND CASH EQUIVALENTS		(14,879,662)	(3,097,681)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		45,820,736	48,985,609
Effect of foreign exchange rate changes, net		(6,072)	(67,192)
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	12(a)	30,935,002	45,820,736

The accompanying notes form part of these financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

1. GENERAL INFORMATION

Helping Hand ("the Company"), a company limited by guarantee and its subsidiary (together "the Group"), is a charitable organisation engaged in providing care, housing and recreational facilities, including care homes, housing for the elderly and a holiday resort centre cum day care centre, for the needy elderly of Hong Kong and the People's Republic of China ("the PRC"). The Company has obtained permission from the Registrar of Companies to omit "Limited" from its name. The income and property of the Company, wheresoever derived, is applied solely towards the promotion of the objects set out in the Company's memorandum of association. The Company's funds are not distributable to its members.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Statement of compliance

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs"), Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the requirements of the Hong Kong Companies Ordinance. Significant accounting policies adopted by the Group are disclosed below.

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Group. Note 3 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these financial statements.

b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 31 March 2017 comprise the Company and its subsidiary.

Items included in the financial statements of each entity in the Group 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 ("HK$"), which is the Company's functional and the Group's presentation currency.

The measurement basis used in the preparation of the financial statements is the historical cost basis except that the financial assets at fair value through profit or loss are stated at their fair value as explained in note 2(d).

The preparation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenditure. The estimates and associated assumptions are based on historical experience and various other factors believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying amounts of assets and liabilities not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of HKFRSs that have significant effect on the financial statements and major sources of estimation uncertainty are discussed in note 25.

c) Subsidiary

Subsidiary is entity controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

c) Subsidiary (Continued)

An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances, transactions and cash flows and any unrealised profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses (see note 2(g)).

d) Financial assets

Financial assets are recognised when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial assets (other than financial assets at fair value through profit or loss) are added to the fair value of the financial assets on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are recognised immediately in the statement of surplus or deficit and other comprehensive income and expenditure account.

Financial assets are classified into the following specified categories: financial assets at fair value through profit or loss ("FVTPL"), "held-to-maturity" investments, "available-for-sale" financial assets and "loans and receivables". The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL, of which interest income is included in net gains or losses.

Financial assets at FVTPL

Financial assets are classified as at FVTPL when the financial asset is (i) held for trading or (ii) it is designated as at FVTPL or (iii) contingent consideration that may be received by an acquirer as part of a business combination to which HKFRS 3 applies.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading or contingent consideration that may be received by an acquirer as part of a business combination may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

d) Financial assets (Continued)

- it forms part of a contract containing one or more embedded derivatives, and HKAS 39 Financial Instruments: Recognition and Measurement permits the entire combined contract to be designated as at FVTPL.

Financial assets at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in the statement of surplus or deficit and other comprehensive income and expenditure account. The net gain or loss recognised in the statement of surplus or deficit and other comprehensive income and expenditure account includes any dividend or interest earned on the financial assets and is included in the "fair value gain/loss on financial assets at fair value through profit or loss" line item. Fair value is determined in the manner described in note 8.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity dates that the Group has the positive intention and ability to hold to maturity.

Subsequent to initial recognition, held-to-maturity investments are measured at amortised cost using the effective interest method, less any impairment (see note 2(g)).

Available-for-sale financial assets ("AFS financial assets")

AFS financial assets are non-derivatives that are either designated as available-for-sale or are not classified as (a) loans and receivables, (b) held-to-maturity investments, or (c) financial assets at FVTPL.

Equity and debt securities held by the Group that are classified as AFS financial assets and are traded in an active market are measured at fair value at the end of each reporting period. Changes in the carrying amount of AFS monetary financial assets relating to interest income calculated using the effective interest method are recognised in statement of surplus or deficit and other comprehensive income and expenditure account. Dividends on AFS equity instruments are recognised in the statement of surplus or deficit and other comprehensive income and expenditure account when the Group's right to receive the dividends is established.

Other changes in the carrying amount of AFS financial assets are recognised in other comprehensive income and expenditure account and accumulated under the funds employed. When the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in funds employed is reclassified to statement of surplus or deficit and other comprehensive income and expenditure account (see note 2(g)).

AFS equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity investments are measured at cost less any identified impairment losses at the end of each reporting period (see note 2(g)).

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including trade and other receivables, bank balances and cash) are measured at amortised cost using the effective interest method, less any impairment (see note 2(g)).

Interest income is recognised by applying the effective interest rate, except for short-term receivables where the recognition of interest would be immaterial.

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collaterialised borrowing for the proceeds received.

On derecognition of a financial asset for amounts it may have to pay, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in funds employed is recognised in statement of surplus or deficit and other comprehensive income and expenditure account.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

e) Property, plant and equipment

Property, plant and equipment, other than construction in progress, are stated at cost less any accumulated depreciation and any accumulated impairment losses (see note 2(g)(ii)).

Depreciation is calculated to write off the cost of items of property, plant and equipment, less their estimated residual value, if any, using the straight line method over their estimated useful lives as follows:

- buildings situated on leasehold land are depreciated over the shorter of the unexpired term of lease and their estimated useful lives, being no more than 50 years after the date of completion.
- Leasehold improvements 4 to 15 years or over the remaining term of the lease
- Furniture and fixtures 4 to 5 years
- Office equipment 4 to 5 years
- Motor vehicles 4 to 5 years

Where parts of an item of property, plant and equipment have different useful lives, the cost of the item is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually.

Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are recognised in statement of surplus or deficit and other comprehensive income and expenditure account during the financial period in which they are incurred.

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.

Gain or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net proceeds on disposal and the carrying amount of the item and are recognised in statement of surplus or deficit and other comprehensive income and expenditure account on the date of retirement or disposal.

Properties, plant and equipment in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties, plant and equipment are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

f) Leased assets

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

i) Classification of assets leased to the Group

Assets held by the Group under leases which transfer to the Group substantially all the risks and rewards of ownership are classified as being held under finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating leases except land held for own use under an operating lease, the fair value of which cannot be measured separately from the fair value of a building situated thereon at the inception of the lease, is accounted for as being held under a finance lease, unless the building is also clearly held under an operating lease. For these purposes, the inception of the lease is the time that the lease was first entered into by the Group, or taken over from the previous lessee.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

f) Leased assets (Continued)

ii) Operating lease charges

Where the Group has the use of assets under operating leases, payments made under the leases are charged to the statement of surplus or deficit and other comprehensive income and expenditure account in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received are recognised in the statement of surplus or deficit and other comprehensive income and expenditure account as an integral part of the aggregate net lease payments made. Contingent rentals are charged as expenditure in the accounting period in which they are incurred.

The cost of acquiring land held under an operating lease is amortised on a straight-line basis over the period of the lease term except where the property is classified as an investment property.

iii) Leasehold land for own use

When a lease includes both land and building elements, the Group assesses the classification of each element as a finance or an operating lease separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group, unless it is clear that both elements are operating leases in which case the entire lease is classified as an operating lease. Specifically, the minimum lease payments (including any lump sum upfront payments) are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of the lease.

To the extent the allocation of the lease payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as “prepaid land lease payments” in the consolidated statement of financial position and is amortised over the lease term on a straight-line basis except for those that are classified and accounted for as investment properties under the fair value model. When the lease payments cannot be allocated reliably between the land and building elements, the entire lease is generally classified as a finance lease and accounted for as property, plant and equipment.

g) Impairment of assets

i) Impairment of receivables

Receivables that are stated at cost or amortised cost are reviewed at the end of each reporting period to determine whether there is objective evidence of impairment. Objective evidence of impairment includes observable data that comes to the attention of the Group about one or more of the following loss events:

- significant financial difficulty of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the debtor will enter bankruptcy or other financial reorganisation; and
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor.

If any such evidence exists, the impairment loss is determined and recognised as the difference between the asset’s carrying amount and the present value of estimated future cash flows, discounted at the financial asset’s original effective interest rate (i.e. the effective interest rate computed at initial recognition of these assets), where the effect of discounting is material. This assessment is made collectively where these financial assets share similar risk characteristics, such as similar past due status, and have not been individually assessed as impaired. Future cash flows for financial assets which are assessed for impairment collectively are based on historical loss experience for assets with credit risk characteristics similar to the collective group.

If in a subsequent period the amount of an impairment loss decreases and the decrease can be linked objectively to an event occurring after the impairment loss was recognised, the impairment loss is reversed through the statement of surplus or deficit and other comprehensive income and expenditure account. A reversal of an impairment loss shall not result in the asset’s carrying amount exceeding that which would have been determined had no impairment loss been recognised in prior years.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

g) Impairment of assets (Continued)

i) Impairment of receivables (Continued)

Impairment losses are written off against the corresponding assets directly, except for impairment losses recognised in respect of trade receivables included within trade and other receivables, whose recovery is considered doubtful but not remote. In this case, the impairment losses for doubtful debts are recorded using an allowance account. When the Group is satisfied that recovery is remote, the amount considered irrecoverable is written off against trade receivables directly and any amounts held in the allowance account relating to that debt are reversed. Subsequent recoveries of amounts previously charged to the allowance account are reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly are recognised in the statement of surplus or deficit and other comprehensive income and expenditure account.

ii) Impairment of other assets

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that the following assets may be impaired or an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment;
- prepaid land lease payments; and
- investments in a subsidiary in the Company's statement of financial position.

If any such indication exists, the asset's recoverable amount is estimated.

- Calculation of recoverable amount

  The recoverable amount of an asset is the greater of its fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

- Recognition of impairment losses

  An impairment loss is recognised in the statement of surplus or deficit and other comprehensive income and expenditure account whenever the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated to reduce the carrying amount of the assets in the unit (or group of units) on a pro rata basis, except that the carrying amount of an asset will not be reduced below its individual fair value less costs of disposal (if measurable) or value in use (if determinable).

- Reversals of impairment losses

  An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

  A reversal of an impairment loss 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 statement of surplus or deficit and other comprehensive income and expenditure account in the year in which the reversals are recognised.

h) Inventories

Inventories are carried at the lower of cost and net realisable value.

Cost is calculated using the first-in, first-out method and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

h) Inventories (Continued)

When inventories are sold, the carrying amount of those inventories is recognised as an expenditure in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expenditure in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expenditure in the period in which the reversal occurs.

i) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated statement of cash flows.

j) 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 which case they are stated at cost.

k) Employee benefits

i) Short term employee benefits and contributions to defined contribution retirement plans

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.

Contributions to the Mandatory Provident Funds as required under the Hong Kong Mandatory Provident Fund Schemes Ordinance are charged to statement of surplus or deficit and other comprehensive income and expenditure account when incurred.

ii) Termination benefits

Termination benefits are recognised at the earlier of when the Group can no longer withdraw the offer of those benefits and when it recognises restructuring costs involving the payment of termination benefits.

l) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in statement of surplus or deficit except to the extent that they relate to items recognised in other comprehensive income or directly in equity, in which case they are recognised in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary difference, provided that those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

l) Income tax (Continued)

The limited exceptions to recognition of deferred tax assets and liabilities are those temporary differences arising from goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business combination), and temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

Additional income taxes that arise from the distribution of dividends are recognised when the liability to pay the related dividends is recognised.

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, if the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and liabilities, the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
  - the same taxable entity; or
  - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

m) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group or the Company has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

n) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

Other than as set out in note 2(q), provided it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in statement of surplus or deficit and other comprehensive income and expenditure account as follows:

i) government grants for specific capital costs of projects are deferred and released to the statement of surplus or deficit and other comprehensive income and expenditure account as income when those specific capital costs are incurred. Any unused grants are classified as deferred income under current liabilities as further explained in note 2(p) below;

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

n) Revenue recognition (Continued)

ii) donations received from specific donors (other than government bodies) for specific purposes are deferred and released to the statement of surplus or deficit and other comprehensive income and expenditure account as income when the donations are expended on those specific purposes. Any unused donations are classified as funds within the funds employed section of the statement of financial position;

iii) donations and government subventions other than the items (i) and (ii) above, on a cash receipt basis. Any excess government subventions to be refunded to government are classified as trade and other payables under current liabilities;

iv) income from functions organised by the Group, on a cash receipt basis;

v) membership fee and sponsorship membership fee, in the accounting year to which the subscription are related;

vi) interest income, on an accrual basis using the effective interest method by applying the rate that discounts the estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset;

vii) rental and meals income, in the period when the services are rendered;

viii) income from sale of investments, on the transaction dates when the relevant contract notes are exchanged; and

ix) sales of goods, transfer of risks and rewards of ownership which generally coincides with the time when the goods are delivered to customers and title has passed.

o) Translation of foreign currencies

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in the statement of surplus or deficit and other comprehensive income and expenditure account.

Non-monetary assets and liabilities measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. Non-monetary assets and liabilities denominated in foreign currencies stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was measured.

The results of foreign operations are translated into Hong Kong dollars at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Items in statement of financial position are translated into Hong Kong dollars at the closing foreign exchange rates ruling at the end of the reporting period. The resulting exchange differences are recognised in other comprehensive income and expenditure and accumulated separately in the exchange reserve in funds employed.

p) Related parties

a) A person, or a close member of that person's family, is related to the Group if that person:

   i) has control or joint control over the Group;

   ii) has significant influence over the Group; or

   iii) is a member of the key management personnel of the Group or the Group's parent.

b) An entity is related to the Group if any of the following conditions applies:

   i) The entity and the Group 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.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

p) Related parties (Continued)

b) An entity is related to the Group if any of the following conditions applies: (Continued)

v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.

vi) The entity is controlled or jointly controlled by a person identified in (a).

vii) A person identified in (a)(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 Group or to the Group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

q) Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in statement of surplus or deficit and other comprehensive income and expenditure account on a systematic basis over the periods in which the Group recognises as expenditure the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred income in the statement of financial position and transferred to statement of surplus or deficit and other comprehensive income and expenditure account on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in statement of surplus or deficit and other comprehensive income and expenditure account in the period in which they become receivable.

r) Projects surplus/(deficit)

Donations and other income received and expenditure incurred on project operations during the year are dealt with in the projects' statement of surplus or deficit and other comprehensive income and expenditure account.

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

The HKICPA has issued a number of amendments to HKFRSs that are first effective for the current accounting period of the Company. None of these developments have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

4. INCOME TAX

(a) Income tax in the consolidated statement of surplus or deficit

The Company being a charitable organisation is exempt from Hong Kong Profits Tax by virtue of Section 88 of the Inland Revenue Ordinance.

No PRC Enterprise Income Tax has been provided for in the consolidated financial statements as the subsidiary, Zhaoqing Helping Hand Home for The Elderly Limited, has no assessable profits for the year (2016: Nil).

(b) Reconciliation between tax expense and accounting deficit at applicable tax rates:

	2017	2016
	HK$	HK$
Deficit for the year before taxation	(6,118,749)	(7,880,231)
Notional tax on deficit before taxation, calculated at the rates applicable to deficit in the countries concerned	(1,544,724)	(1,892,779)
Tax effect of non-deductible expenses	19,718,247	18,857,790
Tax effect of non-taxable income	(19,711,678)	(18,668,643)
Tax effect of tax losses not recognised	1,538,155	1,703,632
Actual tax expense	-	-

(c) Deferred tax assets not recognised

As at 31 March 2017, the Group has unused tax losses of HK$24,908,852 (2016: HK$21,592,587) available for offset against future surplus that may be carried forward with expiry date of within 5 years in the tax jurisdiction of the PRC. No deferred tax assets have been recognised in respect of the tax losses due to the unpredictability of future surplus streams.

5. HOLIDAY CENTRE

The Holiday Centre is subvented by the Social Welfare Department (the "SWD"). During the year, subventions, camp fees, donations and other income received amounted to HK$19,663,699 (2016: HK$18,875,718) and expenses incurred amounted to HK$20,301,871 (2016: HK$19,620,641).

6. PROPERTY, PLANT AND EQUIPMENT

	Buildings	Leasehold improvements
	HK$	HK$
Cost		
At 1 April 2015	246,385,299	12,691,397
Effect of foreign currency exchange differences	(4,359,249)	(206,234)
Transfer	1,924,005	-
Additions	6,911	63,200
Construction expenditure capitalised	-	-
Disposals	-	(2,671,000)
At 31 March 2016	243,956,966	9,877,363
At 1 April 2016	243,956,966	9,877,363
Effect of foreign currency exchange differences	(5,360,792)	(169,180)
Transfer	127,724	-
Additions	20,403	482,900
Construction expenditure capitalised	-	-
Disposals	-	-
At 31 March 2017	238,744,301	10,191,083
Accumulated depreciation		
At 1 April 2015	86,156,809	8,507,434
Effect of foreign currency exchange differences	(2,096,652)	(122,045)
Charge for the year	6,893,868	1,002,075
Written back on disposals	-	(2,376,759)
At 31 March 2016	90,954,025	7,010,705
At 1 April 2016	90,954,025	7,010,705
Effect of foreign currency exchange differences	(2,733,926)	(83,389)
Charge for the year	6,778,995	760,826
Written back on disposals	-	-
At 31 March 2017	94,999,094	7,688,142
Carrying amounts		
At 31 March 2017	143,745,207	2,502,941
At 31 March 2016	153,002,941	2,866,658

Furniture and fixtures	Office equipment	Motor vehicles	Construction-in-progress	Total
HK$	HK$	HK$	HK$	HK$
14,792,128	14,042,586	8,889,450	200,883	297,001,743
(185,601)	(332,771)	(137,819)	(41,009)	(5,262,683)
84,015	444,849	-	(2,452,869)	-
420,248	853,697	976,466	-	2,320,522
-	-	-	3,695,117	3,695,117
(102,868)	(176,627)	(490,922)	-	(3,441,417)
15,007,922	14,831,734	9,237,175	1,402,122	294,313,282
15,007,922	14,831,734	9,237,175	1,402,122	294,313,282
(231,067)	(372,811)	(170,857)	(150,128)	(6,454,835)
28,459	14,453	-	(170,636)	-
809,084	1,098,716	-	-	2,411,103
-	-	-	2,104,194	2,104,194
(234,091)	(851,742)	-	-	(1,085,833)
15,380,307	14,720,350	9,066,318	3,185,552	291,287,911
12,700,546	10,859,807	5,159,154	-	123,383,750
(171,813)	(284,940)	(58,770)	-	(2,734,220)
1,102,610	1,319,159	1,544,732	-	11,862,444
(100,887)	(165,640)	(490,923)	-	(3,134,209)
13,530,456	11,728,386	6,154,193	-	129,377,765
13,530,456	11,728,386	6,154,193	-	129,377,765
(212,527)	(304,574)	(94,856)	-	(3,429,272)
780,087	1,307,848	1,317,222	-	10,944,978
(233,516)	(782,746)	-	-	(1,016,262)
13,864,500	11,948,914	7,376,559	-	135,877,209
1,515,807	2,771,436	1,689,759	3,185,552	155,410,702
1,477,466	3,103,348	3,082,982	1,402,122	164,935,517

7. PREPAID LAND LEASE PAYMENTS

	2017	2016
	HK$	HK$
Carrying amount at beginning of the year	3,634,328	3,937,767
Amortisation charge for the year	(107,207)	(113,517)
Effect of foreign currency exchange differences	(223,864)	(189,922)
Carrying amount at end of the year	3,303,257	3,634,328
Analysed for reporting purposes as:		
Non-current assets	3,199,512	3,523,660
Current assets	103,745	110,668
	3,303,257	3,634,328

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The Group held funds and equity securities under management as follows:

	2017	2016
	HK$	HK$
At fair values:		
Equity securities listed in Hong Kong	10,335,042	9,085,672
Cash under management	1,732,709	3,534
Other funds	27,293	38,882
	12,095,044	9,128,088

At the end of the reporting period, the financial assets at FVTPL are stated at fair values based on valuation provided by respective fund managers and the current bid prices in active market for the funds and the listed equity securities respectively.

9. SUBSIDIARY

The particulars of the Company's subsidiary, which is unlisted and limited liability company, are set out as follows:

Name	Place of incorporation and operation	Class of shares held	Particulars of paid up capital	Percentage of interest held	Principal activity
Zhaoqing Helping Hand Home for The Elderly Limited*	The PRC	Registered	HK$81,168,000 (2016: HK$79,607,300)	100%	Operation of a care home for the elderly

* A wholly foreign owned enterprise

The directors of the subsidiary during the financial year and up to the date of this report were:

Mr. Gary Kin-man Yau
Dr. David Lok-kwan Dai
Mr. Leo-Lin-cheng Kung
Mr. Michael Tze-hau Lee
Mr. Tim-leung Lui (appointed on 23 September 2016)
Dr. Abraham Sek-tong Lue (deceased on 28 April 2016)

10. INVENTORIES

	2017	2016
	HK$	HK$
Merchandises	64,739	62,718

11. TRADE AND OTHER RECEIVABLES

	2017	2016
	HK$	HK$
Other receivables	8,426,816	8,666,513
Loans and receivables	8,426,816	8,666,513
Prepayments and deposits	2,006,232	1,320,351
	10,433,048	9,986,864

All of the receivables are neither past due nor impaired and are expected to be recovered within one year and prepayments are expected to be recognised as expense within one year.

The Group does not hold any collateral as security.

Impairment of trade receivables

Impairment losses in respect of trade receivables are recorded using an allowance account unless the Group is satisfied that recovery of the amount is remote, in which case the impairment loss is written off against trade receivables directly (see note 2(g)).

There is no movement in the allowance for doubtful debts account for the years ended 31 March 2017 and 2016.

12. CASH AND CASH EQUIVALENTS AND DEPOSITS WITH BANKS (MATURITY OVER 3 MONTHS)

(a) Cash and cash equivalents

	2017	2016
	HK$	HK$
Deposits with banks	14,411,224	25,185,659
Cash at banks and on hand	16,523,778	20,635,077
Cash and cash equivalents in the consolidated statement of financial position and the consolidated statement of cash flows	30,935,002	45,820,736

The interest rates on the deposits with banks and cash at banks ranged from 0% to 1.40% (2016: 0% to 1.40%) per annum.

(b) Deposits with banks (maturity over 3 months)

The interest rates on the deposits with banks with maturity over 3 months ranged from 0.95% to 1.75% (2016: 0.7% to 1.75%) per annum.

13. TRADE AND OTHER PAYABLES

The Group's trade and other payables included the social welfare subvention surplus accounts in respect of Helping Hand (excluding Holiday Centre and Helping Hand Father Sean Burke Care Home) of HK$1,574,192 (2016: HK$1,662,580), which is required to be refunded to the SWD.

The below expenditure under the Social Welfare Development Fund ("SWDF") funded by Lotteries Fund have been incurred in accordance with the requirements stipulated in SWDF Guidance Notes for Applications, SWD's approval letters and the procurement of projects and services are in line with the procedures specified in the Lotteries Fund Manual.

	HK$	HK$
Balance of SWDF brought forward from previous financial year		70,249
Allocation from SWDF during the year		146,000
Interest received during the year		10
Expenditure under SWDF during the year		
Project under scope A	(85,073)	
Project under scope B	(58,069)	
		(143,142)
Balance of SWDF carried forward to the next financial year		73,117

All of the trade and other payables are expected to be settled or recognised as income within one year or are repayable on demand.

14. DEFERRED INCOME

	2017	2016
	HK$	HK$
Block Grants received from The Government of the Hong Kong Special Administrative Region (the "HKSAR")	130,934	90,091

Block Grants received from The Government of the HKSAR

	HK$	HK$
Credit balance brought forward from previous financial year		90,091
Add: Block Grants received during the year	1,027,000	
Interest income received	12	
		1,027,012
Less: Expenditure during the year		
Furniture & Equipment	663,074	
Minor Works Projects	217,515	
Vehicle Overhauling	105,580	
		986,169
Credit balance carried forward to the next financial year		130,934

The Block Grants received from the Government of the HKSAR can only be used for minor work projects, furniture and equipment replenishment and vehicle overhauling.

Capital commitments

As at 31 March 2017, the outstanding commitments in respect of F&E Replenishment and Minor Works Grant not provided for in the financial statements were as follows:

	2017	2016
	HK$	HK$
Contracted for	87,500	62,830
Authorised but not contracted for	43,434	27,261
	130,934	90,091

15. CHRISTA TISDALL FUND

The Christa Tisdall Fund was established to provide leisure and recreation activities for elderly people and was approved by the Executive Committee at a Board meeting held on 31 March 1990.

16. THE HONG KONG JOCKEY CLUB CHARITIES TRUST

The donation received from Hong Kong Jockey Club Charities Trust was utilised for the establishment of a care home for the elderly in Zhaoqing, Mainland China, the cost of which is included in property, plant and equipment.

17. GOLD COIN FUND – HOLIDAY CENTRE

The fund represents costs incurred by the Company and the Group and reimbursed by The Government of the HKSAR in respect of the construction of the Cheung Muk Tau Holiday Centre, the cost of which is included in property, plant and equipment.

18. SWD RESERVE FUND – HOLIDAY CENTRE

The fund represents costs incurred by the Company and the Group and reimbursed by the Social Welfare Department in respect of the renovation works of the Cheung Muk Tau Holiday Centre, the cost of which is included in property, plant and equipment.

19. SWD RESERVE FUND – CENTRAL ADMINISTRATIVE SUPPORT

The fund represents costs incurred by the Company and the Group to undergo service re-engineering and re-structuring to achieve output, synergy and long term financial viability.

20. SWD LOTTERIES FUND

The fund represents costs incurred by the Company and the Group and reimbursed by the Government of the HKSAR in respect of the construction of Helping Hand Father Sean Burke Care Home, the cost of which is included in property, plant and equipment.

21. DONATIONS

a) Donations from Community Chest - Baseline Allocation

The total donation granted from the Community Chest for the year ended 31 March 2017 amounting to HK$3,171,600 (2016: HK$3,233,160) has been allocated as follows:

	2017	2016
	HK$	HK$
Homes	1,796,950	1,858,510
Occupational Therapy Unit	422,360	422,360
Physiotherapy Unit	503,290	503,290
	2,722,600	2,784,160
Head office	449,000	449,000
	3,171,600	3,233,160

b) Other donations

The total donations received from others (excluding donations received in cookie campaign and other fund raising events which are included as income as shown in Appendix III and IV) for the year ended 31 March 2017 is as follows:

	2017	2016
	HK$	HK$
Homes - Operating income	1,712,139	1,782,764
Homes - Donations for capital costs	1,972,843	1,314,965
Head office - Administrative income	1,107,095	845,703
Holiday centre	59,082	5,399
	4,851,159	3,948,831

The above donations included capital donation granted from Community Chest for the year ended 31 March 2017 amounting HK$490,674 (2016: HK$25,042).

22. FINANCIAL AND CAPITAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

The Group's major financial instruments include financial assets at fair value through profit or loss, trade and other receivables, trade and other payables, deposits with banks and cash and cash equivalents. Details of the financial instruments are disclosed in respective notes. The risks associated with these financial instruments include credit risk, liquidity risk, currency risk, interest rate risk and other price risk. The policies on how to mitigate these risks are set out below. The Executive Committee manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

a) Credit risk

i) Credit risk refers to the risk that a counterparty will default on its contractual obligation resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults.

22. FINANCIAL AND CAPITAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

a) Credit risk (Continued)

ii) The Group's credit risk arises mainly from the investments held by fund managers. Given the high credit ratings, good reputation and past prevailing good performances of the fund managers who are managing the investment portfolios, the Group's management has confidence that they could meet their obligations. Fund managers monitor the credit risks with reference to their respective portfolio mandates which have guidelines on credit ratings of financial instruments and the maximum holding of 30% in equities. Also, the Group's investment sub-committee was appointed to make direct investment on equities with guidelines on the maximum holding of 45% equities for all portfolios and equities on hand in aggregate. Both parties submit reports on portfolio performance to the Group on a regular basis.

iii) The Group's exposure to credit risk is influenced mainly by the individual characteristics of each debtor. At the end of the reporting period, 92% (2016: 95%) of the total loans and receivables (excluding bank deposits and cash and cash equivalents) of the Group was due from SWD Lotteries Fund.

iv) The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

b) Liquidity risk

The Group has all the time being able to ensure that there are adequate funds to meet its current and expected liquidity requirements. Cash flows are closely monitored by the Executive Committee on an ongoing basis and the Group's exposure to liquidity risk is minimal.

The Group also employs projected cash flow analysis to manage liquidity risk by forecasting the amount of cash required to ensure that all liabilities due and funding requirements are met.

All the remaining contractual maturities of the Group's financial liabilities, which are based on contractual undiscounted cash flows and the earliest date the Group can be required to pay, at the end of the reporting period are within one year or on demand.

c) Interest rate risk

The Group's cash flow interest rate risk mainly concentrates on the fluctuation of market interest rate arising from the bank deposits. The Group controls the risk through benchmark guidelines and asset allocation.

i) Interest rate profile

The following table details the interest rate profile of the Group's bank deposits at the end of the reporting period:

	2017		2016	
	Effective interest rates %	HK$	Effective interest rates %	HK$
Variable rate bank deposits:				
Cash at banks	0.001% to 0.35%	3,600,100	0.001% to 0.35%	3,898,310

ii) Sensitivity analysis

At 31 March 2017, it is estimated that a general increase/decrease of 50 basis points (2016: 50 basis points) in interest rates for variable rate bank deposits, with all other variables held constant, would decrease/increase the Group's deficit for the year and the Group's general deficit by HK$18,000 (2016: decrease/increase the Group's deficit for the year and the Group's general deficit by HK$19,492). Other components of funds employed would not change in response to the general increase/decrease in interest rates.

The sensitivity analysis above has been determined based on the exposure to interest rate risk at the end of the reporting period. The analysis is prepared assuming the financial instruments outstanding at the end of the reporting period were outstanding for the whole year. The 50 basis points (2016: 50 basis points) increase or decrease in interest rates is used when reporting interest rate risk internally to key management personnel and represents management's assessment of a reasonably possible change in interest rates. The analysis is performed on the same basis for 2016.

22. FINANCIAL AND CAPITAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

d) Currency risk

(i) Exposure to currency risk

The Group is exposed to currency risk primarily arising from investments in financial assets, receivables, payables, bank deposits and cash and cash equivalents that are denominated in a foreign currency, that is, a currency other that the functional currency of the operations to which the transactions relate. The currencies giving rise to this risk are primarily United States Dollars, Renminbi and HK$. The Group currently does not have a foreign currency hedging policy as the Group believes its exposure to foreign exchange rate is not significant. However, the management monitors the Group's foreign currency exposures and will consider hedging significant foreign currency exposures should the need arise.

The following details the Group's exposure at the end of the reporting period to currency risk arising from recognised assets or liabilities denominated in a currency other than the functional currency of the entity to which they relate. For presentation purposes, the amounts of the exposure are shown in HK$, translated using the spot rate at the end of the reporting period.

Exposure to foreign currencies (expressed in HK$)

	2017			2016		
	United States Dollars	Renminbi	HK$	United States Dollars	Renminbi	HK$
Financial assets at fair value through profit or loss	28,463	7,973	-	40,432	-	-
Trade and other receivables	-	-	70,145	-	-	74,611
Cash and cash equivalents	-	-	1,123,303	-	-	677,699
Trade and other payables	-	-	(27,267)	-	-	(45,706)
Net exposure arising from recognised assets and liabilities	28,463	7,973	1,166,181	40,432	-	706,604

The following table indicates the instantaneous change in the Group's deficit for the year (and general deficit) that would arise if foreign exchange rates to which the Group has significant exposure at the end of reporting period has changed at that date, assuming all other risk variables remained constant. In this respect, it is assumed that the pegged rate between the HK$ and the US$ would not be affected by any changes in movements in value of the US$ against other currencies. The increase/(decrease) in foreign exchange rates of 5% represents the sensitivity rate of management's assessments of the reasonably possible strengthening/(weakening) of the foreign currency against the functional currencies of the group entities.

	2017			2016		
	Increase/ (decrease) in foreign exchange rates	(Increase)/ decrease in deficit for the year	(Increase)/ decrease in general deficit	Increase/ (decrease) in foreign exchanges rates	Increase/ (decrease) in deficit for the year	(Increase)/ decrease in general deficit
		HK$	HK$		HK$	HK$
HK$	5%	58,309	58,309	5%	35,330	35,330
	(5%)	(58,309)	(58,309)	(5%)	(35,330)	(35,330)
RMB	5%	399	399	5%	-	-
	(5%)	(399)	(399)	(5%)	-	-

Results of the analysis as presented in the above table represent an aggregation of the instantaneous effects on each of the group entities deficit for the year and general deficit measured in the respective functional currencies, translated into HK$ at the exchange rate ruling at the end of the reporting period for presentation purposes.

22. FINANCIAL AND CAPITAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

d) Currency risk (Continued)

(i) Exposure to currency risk (Continued)

The sensitivity analysis assumes that the change in foreign exchange rates had been applied to re-measure those financial instruments held by the Group which expose the Group to foreign currency risk at the end of the reporting period. The analysis is performed on the same basis for 2016.

e) Other price risk

The Group is exposed to price changes arising from financial assets at FVTPL which comprise listed and unlisted investments.

Decisions to buy or sell investments are based on daily monitoring of the performance of investments by fund managers, who submit reports on portfolio performance to the Group on a regular basis. The Group controls the risk through benchmark guidelines and asset allocation.

Most of the Group's investments are listed on the Stock Exchange of Hong Kong. Listed investments held in the investment portfolio have been chosen based on their longer term growth potential and are monitored regularly for performance against expectations.

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to equity price risk at the end of the reporting period.

At 31 March 2017, it is estimated that 10% increase/decrease in the price of the respective equity securities, with all other variables held constant, would have decreased/increased the Group's deficit for the year and the Group's general deficit by approximately HK$1,033,504 (2016: HK$908,567).

The sensitivity analysis indicates the instantaneous change in the Group's surplus/deficit for the year and other components of funds employed that would arise assuming that the changes in the stock prices had occurred at the end of the reporting period and had been applied to re-measure those financial instruments held by the Group which expose the Group to equity price risk at the end of the reporting period. It is also assumed that none of the Group's equity securities would be considered impaired as a result of the decrease in the stock prices or other relevant risk variables, and that all other variables remain constant. The analysis is performed on the same basis for the year ended 31 March 2016.

At 31 March 2017, the Group have no concentration of equity price risk on its equity investments as the Group held nine (2016: eight) listed equity investment in the investment portfolio. The Group's equity are exposed to equity price risk due to the fluctuation of prices of the listed equity securities in the relevant stock markets.

f) Fair value measurement

Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13 Fair Value Measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 valuations: Fair value measured using significant unobservable inputs.

The fund managers perform valuations for the financial instruments and report directly to the Group's Executive Committee. The fair values of the investments represent the bid prices of these investments in the respective internationally – renowned investment banks and the stock market.

22. FINANCIAL AND CAPITAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

f) Fair value measurement (Continued)

Fair value hierarchy (Continued)

	Fair value as at 31 March 2017	Fair value measurements as at 31 March 2017 categorised into		
		Level 1	Level 2	Level 3
	HK$	HK$	HK$	HK$
Recurring fair value measurements				
Assets:				
Financial assets at fair value through profit or loss	12,095,044	12,095,044	-	-

	Fair value as at 31 March 2016	Fair value measurements as at 31 March 2016 categorised into		
		Level 1	Level 2	Level 3
	HK$	HK$	HK$	HK$
Recurring fair value measurements				
Assets:				
Financial assets at fair value through profit or loss	9,128,088	9,128,088	-	-

During the years ended 31 March 2016 and 2017, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

g) Fair value of financial assets and liabilities carried at other than fair value

The fair values of deposits with banks, cash and cash equivalents, trade and other receivables and trade and other payables are not materially different from their carrying amounts because of the immediate or short-term maturity of these financial instruments. The fair value has been determined either by reference to the market value at the end of each reporting period or by discounting the relevant cash flows using current interest rates for similar instruments.

h) Capital risk management

The Group's objective when managing capital are to safeguard the Group's ability to continue as a going concern in order to carry out its principal activities, i.e. to provide care, housing and recreational facilities for the needy elderly of Hong Kong and the PRC.

The capital structure of the Group consists of general deficit, general reserve and other reserves and designated funds. In order to maintain or adjust the capital structure, the Group may appeal for subventions from the HKSAR Government and donations from the general public and other charitable organisations.

The Group is not subject to any externally inspected capital requirements.

23. MATERIAL RELATED PARTY TRANSACTIONS

a) Key management personnel remuneration

All members of key management personnel are the executive committee members of the Company.

There was no transaction with key management personnel during the current and prior years.

b) The Group has not entered into any related party transactions.

24. COMMITMENTS

a) Capital commitments outstanding at 31 March 2017 not provided for in the financial statements were as follows:

	2017	2016
	HK$	HK$
Contracted for		
- Renovation of property, plant and equipment	1,062,500	-
- Acquisition of property, plant and equipment	480,028	885,959
	1,542,528	885,959

b) At 31 March 2017, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

	2017	2016
	HK$	HK$
Within 1 year	28,188	30,068
After 1 year but within 5 years	23,741	55,394
	51,929	85,462

The Group leases certain of its homes and a fish pond from independent third parties under operating leases and the leases run for a period of three to ten years respectively. None of the leases includes contingent rentals.

25. ACCOUNTING ESTIMATES AND JUDGEMENTS

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

a) Impairment of non-financial assets

Determining whether there is an impairment requires an estimation of recoverable amounts of the non-financial assets or the respective cash-generating unit in which the non-financial assets belong, which is the higher of value in use and fair value less costs of disposal. If there is any indication that an asset may be impaired, recoverable amount shall be estimated for individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the Group shall determine the recoverable amount of the cash-generating unit to which the asset belongs. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the assets or cash-generating units and a suitable discount rate in order to calculate the present value. The discount rate represents a rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the future cash flow estimates have not been adjusted. Where the actual future cash flows or the revision of estimated future cash flows are less than original estimated future cash flow, a material impairment loss may arise.

b) Impairment of receivables

When there is objective evidence of impairment loss, the Group takes into consideration the estimation of future cash flows. The amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). Where the actual future cash flows are less than expected, a material impairment loss may arise. As at 31 March 2017, the carrying amount of receivable is HK$8,426,816 (net of allowance for doubtful debts of HK$nil) (2016: carrying amount of HK$8,666,513, net of allowance for doubtful debts of HK$nil).

25. ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

c) Depreciation and amortisation

Property, plant and equipment and prepaid land lease payments are depreciated and amortised on a straight-line basis over the estimated useful lives of the assets, after taking into account the estimated residual values. The Executive Committee reviews the estimated useful lives and the residual values of the assets regularly in order to determine the amount of depreciation and amortisation charge for the year. The estimate is based on the historical experience of the actual useful lives and residual values of assets of similar nature and functions and taking into account anticipated technological changes. The depreciation and amortisation charge for future periods are adjusted if there are significant changes from previous estimates.

26. COMPANY – LEVEL STATEMENT OF FINANCIAL POSITION

	Note	2017	2016
		HK$	HK$
NON-CURRENT ASSETS			
Property, plant and equipment		107,837,914	112,868,038
Financial assets at fair value through profit or loss		12,095,044	9,128,088
Interests in a subsidiary		86,203,114	91,645,495
		206,136,072	213,641,621
CURRENT ASSETS			
Inventories		46,266	33,995
Trade and other receivables		10,189,394	9,512,360
Deposits with banks (maturity over 3 months)		20,643,000	9,300,000
Cash and cash equivalents		27,949,197	41,951,544
		58,827,857	60,797,899
CURRENT LIABILITIES			
Trade and other payables		17,763,629	17,432,580
Deferred income		130,934	90,091
		(17,894,563)	(17,522,671)
NET ASSETS		247,069,366	256,916,849
FUNDS EMPLOYED			
General (deficit)/surplus		(2,969,742)	5,618,274
General reserve		1,476,572	1,476,572
Christa Tisdall Fund	15	13,239	13,239
The Hong Kong Jockey Club Charities Trust	16	86,276,361	86,276,361
SWD Reserve Fund - Central Administrative Support	19	1,763,383	3,022,850
Holiday Centre project:			
Gold Coin Fund	17	77,636,711	77,636,711
SWD Reserve Fund	18	2,091,898	2,091,898
Others		1,316,280	1,316,280
SWD Lotteries Fund	20	79,464,664	79,464,664
TOTAL FUNDS EMPLOYED		247,069,366	256,916,849

Approved and authorised for issue by the executive committee on 19 September 2017.

Mrs. Johanna Arculli
Executive Committee member

Mr. Tim-leung Lui
Executive Committee member

26. COMPANY – LEVEL STATEMENT OF FINANCIAL POSITION (Continued)

Note: Details of the changes in the Company's individual components of funds employed between the beginning and the end of the year are set out below:

	General Reserve	Christa Tisdall Fund	The Hong Kong Jockey Club Charities Trust	Gold Coin Fund
	HK$	HK$	HK$	HK$
At 1 April 2015	1,476,572	13,239	86,276,361	77,636,711
Transfer	-	-	-	-
Expenditure paid for programmes	-	-	-	-
Total comprehensive expenditure for the year	-	-	-	-
At 31 March 2016 and 1 April 2016	1,476,572	13,239	86,276,361	77,636,711
Transfer	-	-	-	-
Expenditure paid for programmes	-	-	-	-
Total comprehensive expenditure for the year	-	-	-	-
At 31 March 2017	1,476,572	13,239	86,276,361	77,636,711

	SWD Reserve Fund				
Holiday Centre Project - Other	Holiday Centre	Central Administrative Support	SWD Lotteries Fund	General Surplus /(Deficit)	Total
HK$	HK$	HK$	HK$	HK$	HK$
1,316,280	2,091,898	4,861,285	79,464,664	6,789,593	259,926,603
-	-	(1,129,234)	-	1,129,234	-
-	-	(709,201)	-	-	(709,201)
-	-	-	-	(2,300,553)	(2,300,553)
1,316,280	2,091,898	3,022,850	79,464,664	5,618,274	256,916,849
-	-	-	-	-	-
-	-	(1,259,467)	-	-	(1,259,467)
-	-	-	-	(8,588,016)	(8,588,016)
1,316,280	2,091,898	1,763,383	79,464,664	(2,969,742)	247,069,366

27. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 MARCH 2017

Up to the date of issue of these financial statements, the HKICPA has issued a number of amendments, new standards and interpretations which are not yet effective for the year ended 31 March 2017 and which have not been adopted in these financial statements.

The Executive Committee of the Company anticipate that the application of the new and revised standards, amendments or interpretations will have no material impact on the results and the financial position of the Group.

(FOR MANAGEMENT PURPOSES ONLY)

INCOME AND EXPENDITURE ACCOUNT FOR HOLIDAY CENTRE

FOR THE YEAR ENDED 31 MARCH 2017

	Note	2017 HK$	2016 HK$
INCOME			
Lump Sum Grant		13,050,867	11,831,711
Lump Sum Grant – Central items		253,110	241,920
Camp fees received		4,611,027	4,872,028
Programme income		463,298	491,396
Donations	21(b)	59,082	5,399
SWD – Block Insurance Income		55,436	53,458
SWD - Block Grants		353,498	613,226
Social Welfare Development Fund		280,796	27,407
Block Grant – One-off Special		21,240	37,000
Other income			
- Subvented		101,714	114,997
- Unrecognised		413,631	587,176
		19,663,699	18,875,718
COST OF SALES			
Opening inventories		6,246	5,972
Purchases		-	380
Closing inventories		(6,019)	(6,246)
		(227)	(106)
EXPENDITURE			
Advertising		82,768	64,837
Audit fee		44,100	42,700
Central items		253,110	241,920
Cleaning		218,410	182,966
Food		1,054,879	1,238,667
Gas		157,313	180,661
General expenses		216,901	211,911
Insurance		33,159	31,841
Laundry		92,923	95,606
Medical expenses		16,481	4,673
Motor vehicle expenses		370,739	376,458
Newspapers and magazines		8,865	7,899
Postage		4,155	18,763
Printing and stationery		39,111	48,796
Programme expenses		506,756	507,869
Provident fund		798,710	783,518
Provision for long service payment		40,829	9,931
Provision/ (reversal of provision) for untaken annual leave		27,837	(6,917)
Government rent and rates		322,400	307,000
Repairs and maintenance		912,906	755,168
Salaries		12,148,544	11,380,443
Staff uniform		-	21,937
SWD Block Insurance Expenditure		78,910	99,552
Telephone and cable		61,222	57,949
Travelling expenses		12,053	25,581
Unrecognised expenses (Note)		1,460,169	1,613,643
Water and electricity		1,338,394	1,317,163
		(20,301,644)	(19,620,535)
NET DEFICIT	5	(638,172)	(744,923)

Note: The depreciation charge and loss on disposal of property, plant and equipment of HK$959,844 (2016: HK$1,122,386) and HK$170 (2016: HK$Nil), respectively, are included in unrecognised expenses in the income and expenditure account for Holiday Centre.

DETAILED OPERATING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2017

	Lok Fu	Lai Yiu	F S B
	HK$	HK$	HK$
CAPITAL INCOME			
SWD - Block Grant	246,884	98,956	286,831
SWD - Lotteries Funds	-	-	5,500
Donations for capital costs	138,188	58,269	88,518
TOTAL CAPITAL INCOME	385,072	157,225	380,849
RECURRENT INCOME			
Community Chest Allocation			
- Homes	277,911	277,910	559,379
- O.T. & P.T. unit	115,716	115,716	249,925
Donation for running costs	249,792	180,755	593,408
Interest income	-	-	-
Lump Sum Grant	11,104,659	9,192,800	23,154,696
Meal income	1,198,210	1,253,980	3,463,705
Meal income from staff	76,098	94,096	101,042
Rental income	1,490,365	1,549,355	4,417,335
Sundry income	145,610	152,947	673,435
SWD subvention for homes	1,305,487	2,086,715	6,184,156
SWD others	283,031	390,634	590,225
	16,246,879	15,294,908	39,987,306

APPENDIX I
(FOR MANAGEMENT PURPOSES ONLY)
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Chuk Yuen	Po Lam	Siu Sai Wan	Zhaoqing	2017	2016
HK$	HK$	HK$	HK$	HK$	HK$
-	-	-	-	632,671	277,265
-	-	-	-	5,500	-
136,463	508,503	73,740	969,162	1,972,843	1,314,965
136,463	508,503	73,740	969,162	2,611,014	1,592,230
227,250	227,250	227,250	-	1,796,950	1,858,510
148,093	148,093	148,107	-	925,650	925,650
195,516	303,124	147,184	42,360	1,712,139	1,782,764
-	-	-	42,916	42,916	70,515
-	-	-	-	43,452,155	41,231,426
-	-	-	-	5,915,895	7,244,395
-	-	-	-	271,236	270,079
2,912,197	2,789,955	1,558,030	6,880,093	21,597,330	19,132,733
17,723	13,097	10,022	424,508	1,437,342	1,558,798
-	-	-	-	9,576,358	8,455,728
-	-	-	-	1,263,890	165,255
3,500,779	3,481,519	2,090,593	7,389,877	87,991,861	82,695,853

DETAILED OPERATING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2017

	Lok Fu	Lai Yiu	F S B
	HK$	HK$	HK$
RUNNING COSTS			
Legal and professional fee	-	-	-
Advertising	10,487	16,695	63,958
Bank charges	903	891	6,276
Cleaning	51,899	28,227	176,715
Depreciation	524,753	314,299	579,469
Food	975,989	847,860	2,037,099
Function expenses			
- Subsidised by outsiders	93,150	30,027	163,390
- Subsidised by Helping Hand	53,745	44,150	97,982
Gas	160,621	129,140	360,162
General expenses	56,106	40,279	58,009
Government charge	-	-	-
Insurance	160,099	132,641	371,576
Life insurance	10,920	10,952	23,529
Loss on disposal of property, plant and eqiupment	2,716	-	-
Lucky money	4,380	7,860	12,480
Medical expenses	204,992	220,229	592,778
Newspaper & magazine	6,203	5,184	18,833
O.T. & P.T. unit expenditure	118,256	118,256	255,434
Postage	846	777	586
Printing & stationery	19,646	21,230	46,292
Provident fund	851,693	831,293	1,990,199
Provision/(reversal of provision) for long service payment	81,536	(28,683)	90,805
(Reversal of provision)/ provision for untaken annual leave	(14,218)	32,205	(8,183)
Recognition of prepaid land lease payment	-	-	-
Rent & rates	1,030,856	943,580	389,600
Repair & maintenance	218,703	155,810	1,124,759
Salaries	12,955,697	11,941,300	31,176,657
Souvenir	6,147	6,600	9,600
Staff welfare	10,163	10,270	29,322
Sundry expenses	-	-	-
Telephone and cable	13,430	47,452	55,198
Training	13,370	16,578	26,177
Transportation expenses	72,281	68,848	121,954
Uniforms	4,372	17,598	24,719
Utensil	9,974	6,072	20,708
Water and electricity	368,933	481,529	1,393,050
	18,078,648	16,499,149	41,309,133
OPERATING DEFICIT	(1,831,769)	(1,204,241)	(1,321,827)
NET (DEFICIT)/SURPLUS	(1,446,697)	(1,047,016)	(940,978)

APPENDIX I
(FOR MANAGEMENT PURPOSES ONLY)
(Page 2 of 2)

Chuk Yuen	Po Lam	Siu Sai Wan	Zhaoqing	2017	2016
HK$	HK$	HK$	HK$	HK$	HK$
-	-	-	10,486	10,486	14,187
-	2,045	-	965	94,150	81,156
1,963	1,546	946	200	12,725	14,822
10,027	13,415	7,665	69,738	357,686	352,300
296,317	419,525	128,860	3,841,433	6,104,656	6,763,073
26,395	26,151	11,404	1,066,364	4,991,262	4,730,808
127,548	146,042	101,891	45,399	707,447	773,637
61,982	60,217	44,617	-	362,693	378,561
20,677	10,719	8,580	-	689,899	666,010
5,303	4,476	20,649	118,279	303,101	278,824
-	-	-	39,666	39,666	50,840
29,143	26,676	21,351	48,079	789,565	742,661
2,113	539	1,803	-	49,856	49,367
1,407	-	1,050	64,228	69,401	307,209
9,240	7,200	4,500	-	45,660	45,520
16,530	37,822	17,591	281,005	1,370,947	1,265,879
5,259	5,080	5,886	-	46,445	46,468
151,368	151,368	151,368	-	946,050	936,600
21	819	588	-	3,637	2,840
4,660	15,054	7,526	21,888	136,296	113,729
157,461	95,398	129,388	626,999	4,682,431	4,431,653
26,626	5,343	11,358	-	186,985	423,769
1,517	(25)	1,987	-	13,283	8,493
-	-	-	107,207	107,207	113,517
1,264,202	981,512	646,410	29,128	5,285,288	4,898,144
80,197	150,289	62,424	297,935	2,090,117	1,910,702
1,930,846	1,591,684	1,674,124	3,854,444	65,124,752	58,708,722
2,200	-	-	-	24,547	41,682
2,173	1,816	1,696	-	55,440	52,561
-	-	-	329,011	329,011	466,010
83,194	75,944	54,740	68,429	398,387	339,608
3,026	2,372	6,082	8,910	76,515	161,031
6,824	4,453	5,239	210,776	490,375	497,519
380	754	567	-	48,390	26,698
-	-	652	-	37,406	31,115
81,305	46,319	43,808	779,894	3,194,838	3,203,490
4,409,904	3,884,553	3,174,750	11,920,463	99,276,600	92,929,205
(909,125)	(403,034)	(1,084,157)	(4,530,586)	(11,284,739)	(10,233,352)
(772,662)	105,469	(1,010,417)	(3,561,424)	(8,673,725)	(8,641,122)

APPENDIX II
(FOR MANAGEMENT PURPOSES ONLY)

DETAILED ADMINISTRATIVE INCOME AND EXPENDITURE

FOR THE YEAR ENDED 31 MARCH 2017

	Note	2017 HK$	2016 HK$
INCOME			
Community Chest allocation	21(a)	449,000	449,000
Exchange gain		-	76,715
Fair value gain on financial assets at fair value through profit or loss		1,573,487	-
General donations	21(b)	1,107,095	845,703
Interest income		262,415	256,009
Lump sum grant		6,246,255	7,346,822
Membership fee and sponsoring membership		16,840	16,880
Sundry income		34,391	301,892
SWD - Others		117,771	208,169
Total administrative income		9,807,254	9,501,190
EXPENDITURE			
Advertising		2,556	8,642
Audit fee		270,040	225,923
Bank charges		22,922	24,881
Book and reference materials		-	650
Cleaning		10,229	6,838
Depreciation		3,880,478	3,976,985
Fair value loss on financial assets at fair value through profit or loss		-	1,782,355
Gas		1,820	2,250
General expenses		48,562	13,146
Insurance		89,726	106,679
Life insurance		8,662	9,506
Medical expenses		-	600
Membership fee		11,800	5,900
Motor vehicle expenses		3,117	12,132
Newspapers and magazines		1,500	1,594
Postage		4,840	7,172
Printing and stationery		33,152	23,229
Provident fund		547,626	521,554
Provision for long services payment		55,769	68,876
Provision for untaken annual leave		(33,994)	1,195
Publication		25,000	33,800
Rent and rates		10,340	8,680
Repairs and maintenance		31,730	17,140
Salaries		5,667,216	5,746,962
Staff welfare		14,888	17,945
Telephone and cable		79,206	54,921
Training		45,721	117,929
Transportation expenses		10,371	9,349
Water and electricity		53,334	56,213
		(10,896,611)	(12,863,046)
NET ADMINISTRATIVE DEFICIT		(1,089,357)	(3,361,856)

APPENDIX III
(FOR MANAGEMENT PURPOSES ONLY)

COOKIE CAMPAIGN - INCOME AND EXPENDITURE

FOR THE YEAR ENDED 31 MARCH 2017

	2017	2016
	HK$	HK$
INCOME (Note)	5,210,383	5,360,562
EXPENDITURE	(1,100,310)	(963,276)
SURPLUS FROM "COOKIE CAMPAIGN"	4,110,073	4,397,286

Note: Included in the income of the Cookie Campaign for the year ended 31 March 2017, there is HK$1,635,048 (2016: HK$1,589,802) being donations and sponsorship income.

APPENDIX IV
(FOR MANAGEMENT PURPOSES ONLY)

OTHER FUND RAISING EVENTS - INCOME AND EXPENDITURE

FOR THE YEAR ENDED 31 MARCH 2017

	2017	2016
	HK$	HK$
INCOME (Note)	1,528,027	2,200,227
EXPENDITURE	(1,355,595)	(1,729,843)
SURPLUS FROM OTHER FUND RAISING EVENTS	172,432	470,384

Note: Included in the income of other fund raising events for the year ended 31 March 2017, there is HK$1,058,283 (2016: HK$1,343,840) being donations and sponsorship income.