HONG KONG ANIMAL ADOPTION CENTRE LIMITED
香港動物領養中心有限公司

FINANCIAL STATEMENTS

For the year ended 31st December, 2022

T. C. NG & CO. C.P.A. LIMITED
伍子材會計師事務所有限公司
CERTIFIED PUBLIC ACCOUNTANTS
HONG KONG

HONG KONG ANIMAL ADOPTION CENTRE LIMITED
香港動物領養中心有限公司

REPORT OF THE DIRECTORS

The Directors present herewith their Annual Report and the audited Financial Statements for the year ended 31st December, 2022.

Principal Activities

The principal activities of the Company are to save and care for abandoned and abused animals as well as seeking appropriate adoptive families for them.

Results and Dividends

Deficit for the year amounted to	($ 169.80)
Accumulated Surplus brought forward	103,137.30
Accumulated Surplus to be carried forward	$102,967.50

Directors

(a) The names of the Directors in office during the year and at the date of this report are -

Luk Samson
Luk Wei Yee Tuen
Chan Tung Yiu, Samantha

In accordance with the Company's Articles of Association, all the Directors in office retire and, being eligible, offer themselves for re-election.

(b) Contract of Management -
During the year no contract for management and administration of a substantial part of the Company's business by a person other than a director or full-time employee of the Company was entered into or subsisted at the end of the year.

(c) Other disclosures required by the Companies Ordinance are detailed in Note 3 on the financial statements.

Permitted Indemnity

Pursuant to the Company's Articles of Association and subject to the provisions of the Companies Ordinance, every director or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he/she may sustain or incur in or about the execution of the duties of his/her office or otherwise in relation thereto. This permitted indemnity provision is currently in force and was in force throughout this year.

Auditors

Messrs. T. C. Ng & Co. C.P.A. Limited are the Company's retiring auditors who, being eligible, offer themselves for re-appointment.

By Order of the Board,

Chan Tung Yiu, Samantha
Chairman.

Hong Kong, 28th September, 2023.

T.C. NG & Co CPA Ltd
Certified Public Accountants
AUDIT, TAX, BUSINESS ADVISORY & OUTSOURCING

CHIU NGAR WING 趙雅穎
CPA (Practising)

MAN KING CHI, EDDIE 文景智
CPA (Practising) FCA MSc

NG SHU BUN, ANDREW 伍樹彬
CPA (Practising) FCA BA

伍子材會計師事務所有限公司

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HONG KONG ANIMAL ADOPTION CENTRE LIMITED
香港動物領養中心有限公司
(Incorporated in Hong Kong with liability limited by guarantee)

Opinion

We have audited the financial statements of Hong Kong Animal Adoption Centre Limited ("the Company") set out on pages 4 to 9, which comprise the statement of financial position as at 31st December, 2022, and the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements of the Company are prepared, in all material respects, in accordance with the Hong Kong Small and Medium-Sized Entity Financial Reporting Standard ("SME-FRS") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ('HKSAs") and with reference to PN 900 (Revised) "Audit of Financial Statements Prepared in accordance with the Small and Medium-Sized Entity Financial Reporting Standard" issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other 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.

Other Information

The directors are responsible for the other information. The other information comprises the directors' report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The directors are responsible for the preparation of financial statements in accordance with the SME-FRS issued by the HKICPA and the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company'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 directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



T. C. Ng & Co. C.P.A. Limited
Certified Public Accountants.

Hong Kong, 28th September, 2023.
Director in Charge : Ng Shu Bun, Andrew
Practising Certificate Number : P05198

HONG KONG ANIMAL ADOPTION CENTRE LIMITED
香港動物領養中心有限公司

STATEMENT OF FINANCIAL POSITION
AS AT 31ST DECEMBER, 2022
(Amounts Expressed in Hong Kong Dollars)

2021			2022	Note
	ASSETS			
	Non-Current Assets			
$ 6,563.61	Property, Plant and Equipment		$ 16,484.90	5
	Current Assets			
$ 23,518.09	Cash at Bank	$25,474.40		
61,594.00	Rental and Utility Deposits	61,594.00		
32,000.00	Prepayment	32,000.00		
22,621.60	Donation Receivable	6,499.20		
$139,733.69			$125,567.60	
	Current Liabilities			
$ 37,010.00	Accrued Expenses	$32,935.00		
6,150.00	Amount due to Director	6,150.00		
$ 43,160.00			39,085.00	
$ 96,573.69	Net Current Assets		$ 86,482.60	
$103,137.30	NET ASSETS		$102,967.50	
	REPRESENTING :-			
$103,137.30	Accumulated Surplus		$102,967.50	

These financial statements were approved by the Board of Directors on 28th September, 2023.

Chan Tung Yiu, Samantha
Director

Luk Samson
Director

HONG KONG ANIMAL ADOPTION CENTRE LIMITED
香港動物領養中心有限公司

INCOME ACCOUNT
For the year ended 31st December, 2022
(Amounts Expressed in Hong Kong Dollars)

2021			2022	Note
	Income -			
$1,423,984.31	Donation Income	$1,150,354.15		
384,489.90	Fund Raising Income	191,185.40		
3,000.00	Membership Fee Received	-		8
715,596.40	Charitable Sales and Pet Care Services Income	747,759.97		
58,002.10	Pet Show Income	93,355.23		
0.50	Bank Interest Income	23.50		
7,190.00	Sundry Income	-		
$2,592,263.21			$2,182,678.25	
	Expenditure -			
$ 627,577.09	Daily Animal Expenses	$669,568.57		
229,186.90	Salaries and Allowance	235,910.30		
363,797.80	Animal Medical Fee	326,196.60		
239,445.10	Repairs and Maintenance	197,029.00		
21,191.00	Transportation	18,530.00		
91,434.80	Utilities Expenses	85,737.80		
107,782.50	Motor Vehicle Expenses	113,372.94		
16,373.40	Telephone and Internet	11,951.60		
7,562.50	MPF Contribution	8,600.00		
6,323.60	Printing and Stationery	9,796.70		
348,000.00	Rental Expenses	348,000.00		
6,154.11	Insurance	6,299.00		
13,607.80	Sundry Expenses	16,392.10		
3,516.00	Legal and Professional Fees	3,716.00		
1,567.15	Bank Charge	6,311.43		
343.20	Postage and Stamp	194.30		
7,648.50	Local Travelling Expenses	4,973.20		
75,562.50	Meal Allowance	96,475.90		
	Depreciation on -			
4,564.54	Furniture and Equipment	9,792.61		
4,000.00	Accountancy Fee	4,000.00		
10,000.00	Audit Fee	10,000.00		
$2,185,638.49			2,182,848.05	
$ 406,624.72	Deficit for the year		($ 169.80)	

HONG KONG ANIMAL ADOPTION CENTRE LIMITED
香港動物領養中心有限公司

STATEMENT OF CHANGES IN ACCUMULATED FUND
For the year ended 31st December, 2022
(Amounts Expressed in Hong Kong Dollars)

	Accumulated Surplus/(Deficit)	Total
Balance at 31st December, 2020	($303,487.42)	($303,487.42)
Surplus for the year	406,624.72	406,624.72
Balance at 31st December, 2021	$103,137.30	$103,137.30
Deficit for the year	(169.80)	(169.80)
Balance at 31st December, 2022	$102,967.50	$102,967.50

HONG KONG ANIMAL ADOPTION CENTRE LIMITED
香港動物領養中心有限公司

ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2022
(Amounts Expressed in Hong Kong Dollars)

1. REPORTING ENTITY

Hong Kong Animal Adoption Centre Limited is a company incorporated in Hong Kong and limited by guarantee. The Company's registered office is located at No. 150 Wo Ping San Tsuen, Tuen Mun, N.T., Hong Kong. The principal activities of the Company are to save and care for abandoned and abused animals as well as seeking appropriate adoptive families for them. Under the provision of its Memorandum and Articles of Company, every member shall, in the event of the Company being wound up, contribute such amount as may be required to meet the liabilities of the Company but not exceeding the sum of HK$100.00 each.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation and accounting policies -

The Company qualifies for the reporting exemption as a small private company under section 359(1)(a) of the Hong Kong Companies Ordinance and is therefore entitled to prepare and present its financial statements in accordance with the Small and Medium-sized Entity Financial Reporting Standard (SME-FRS) issued by the Hong Kong Institute of Certified Public Accountants.

These financial statements comply with the SME-FRS and have been prepared under the accrual basis of accounting and on the basis that the Company is a going concern.

The measurement base adopted is the historical cost convention.

(b) Property, Plant and Equipment -

(i) Property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

(ii) The depreciable amount of an item of Property, Plant and Equipment is allocated on a systematic basis over its estimated useful life using the straight-line method. The principal annual rates used for depreciation are as follows :-

Decoration	-	20% p.a. on cost
Furniture and Equipment	-	30% p.a. on cost
Motor Vehicle	-	30% p.a. on cost

(iii) The gain or loss on disposal of Property, Plant and Equipment is the difference between the net disposal proceeds and the carrying amount of the assets and is recognised in the income statement.

(c) Impairment -

Items of Property, Plant and Equipment are assessed for any indication of impairment or reversal of impairment recognised in prior years. If such indication exists, the recoverable amount of the asset is estimated, carrying amount adjusted and an impairment loss (reversal) recognised as an expense (income) in the Income Statement, or as a revaluation decrease (increase), as appropriate.

(d) Recognition of Revenue -

Revenue is recognised when it is probable that the economic benefits will accrue to the Company and when the revenue can be measured reliably on the following bases :-

(i) Donations Received, Fund Raising Income, Sponsorship Received, Membership Fee Received, Adoption Charges Received, Pet Show Income, Charitable Sales and Pet Care Services Income, when they are received.

(ii) Interest income on a time proportion basis, taking into account the principal outstanding and the effective interest applicable.

2. SIGNIFICANT ACCOUNTING POLICIES

(e) Related Parties -

For the purposes of these financial statements, related party includes a person and entity as defined below :-

(I) A person or a close member of that person's family is related to the Company if that person :-

(i) has control or joint control of the Company;

(ii) has significant influence over the Company; or

(iii) is a member of the key management personnel of the Company or of a parent of the Company;

(II) An entity is related to the Company if any of the following conditions applies :-

(i) the entity and the Company 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 party and the other entity is an associate of the third entity.

(v) the entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company.

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

(vii) a person identified in (I)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

A related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.

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.

3. DIRECTORS' EMOLUMENTS AND BENEFITS

Directors' Emoluments for Services as Directors of the Company disclosed pursuant to Section 383 of the Companies Ordinance and the Companies (Disclosure of Information about Benefits of Directors) Regulation is as follows :-

	2022	2021
Directors' Fees	Nil	Nil
Other Emoluments in connection with the Management of the Affairs of the Company	Nil	Nil
Amount Paid to Third Parties for Making Available the services of persons as directors	Nil	Nil
Payments in respect of Termination of Service	Nil	Nil
Retirement Benefits given to Retired Directors	Nil	Nil

3. DIRECTORS' EMOLUMENTS AND BENEFITS

i. There are no payments made or benefit provided in respect of the termination of the service of directors, whether in the capacity of directors or in other capacity while directors;

ii. There are no loans, quasi-loans and other dealings in favour of (a) directors of the company and a holding company of the company; (b) bodies corporate controlled by such directors; (c) entities connected with such directors;

iii. There are no material interests of directors in transactions, arrangements or contracts entered into by the company or another company in the same group of the companies;

iv. There are no consideration provided to or receivable by third parties for making available the services of a person as a director or in any other capacity while director;

v. There are no outstanding loans made to directors under the authority of sections 280 and 281 of the Companies Ordinance during the year.

4. TAXATION

No provision for Hong Kong Profits Tax has been incorporated in the financial statements as the Company has been granted exemption from all taxed under Section 88 of the Inland Revenue Ordinance.

5. PROPERTY, PLANT AND EQUIPMENT

	Motor Vehicle	Decoration	Furniture and Equipment	Total
At 1st January, 2022 -				
Cost	$235,417.00	$837,253.50	$374,031.26	$1,446,701.76
Accumulated Depreciation	(235,417.00)	(837,253.50)	(367,467.65)	(1,440,138.15)
Net Carrying Amount	$ -	$ -	$ 6,563.61	$ 6,563..61
Year ended 31st December, 2022 -				
Opening Net Carrying Amount	$ -	$ -	$ 6,563.61	$ 6,563.61
Additions	-	-	19,713.90	19,713.90
Depreciation	-	-	(9,792.61)	(9,792.61)
Closing Net Carrying Amount	$ -	$ -	$16,484.90	$16,484.90
At 31st December, 2022 -				
Cost	$235,417.00	$837,253.50	$393,745.16	$1,466,415.66
Accumulated Depreciation	(235,417.00)	(837,253.50)	(377,260.26)	(1,449,930.76)
Net Carrying Amount	$ -	$ -	$ 16,484.90	$ 16,484.90

6. RELATED PARTY TRANSACTIONS

Current account with Director is unsecured, interest free with no fixed terms of repayment.

7. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

At 31st December, 2022, there were -

(a) no outstanding capital commitments;

(b) no material contingent liabilities other than those incurred in the normal course of business.

8. INFORMATION ON THE APPROVED FUND-RAISING ACTIVITIES

The purposes of the following charitable fund-raising events are for providing medical attention and searching for a new home for the animals that are waiting for adoption :-

Permit No. 2021/116/1 (08/01/2022 – 06/02/2022)	
Fund Raising Income	$56,304.40
Expenses	-
	$56,304.40
Permit No. 2022/066/1 (18/10/2022 - 31/12/2022)	
Fund Raising Income	$134,881.00
Expenses	-
	$134,881.00
Total Amount	$191,185.40