

香港眼科視光師學會有限公司
THE HONG KONG SOCIETY OF PROFESSIONAL OPTOMETRISTS LIMITED

REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH NOVEMBER 2015

(EXPRESSED IN HONG KONG DOLLARS)

葉梁會計師事務所
YIP, LEUNG & CO.
Certified Public Accountants

THE HONG KONG SOCIETY OF PROFESSIONAL OPTOMETRISTS LIMITED
REPORT OF THE COUNCILLORS

The councillors of The Hong Kong Society of Professional Optometrists Limited (“the Society”) present their annual report and the audited financial statements of the Society for the year ended 30th November 2015.

PRINCIPAL PLACE OF BUSINESS

The Society is an entity incorporated and domiciled in Hong Kong. Its registered office and principal place of business are situated at Unit 1204, 12/F., Kowloon Building, 555 Nathan Road, Kowloon.

PRINCIPAL ACTIVITIES

The principal activities of the Society are educating the public on the importance of proper vision care and promoting a high standard of optometric services in Hong Kong.

RESULTS

Results of the Society for the year ended 30th November 2015 and its financial position as at that date are set out in the financial statements on pages 5 to 10.

COUNCILLORS

The councillors during the year and up to the date of this report were:

Lam Kwai Mei	(President)		
Chu Ho Wai, Patrick	(Vice president)		
Lung Chun Yee	(Internal secretary)		
Ting Wai Ki	(External secretary)	(Appointed on 13-3-2015)	
Ng Yiu Fai	(Treasurer)		
Wong Wai Hung	(Immediate Past President)		
Chan Kong			
Chung Chi Lik			
Chan Manki	(Appointed on 13-3-2015)	Huang Yeung Chi	(Resigned on 13-3-2015)
Chan Pak Di	(Appointed on 13-3-2015)	Lam Yuk On	(Resigned on 13-3-2015)
Chin Man Pan	(Appointed on 13-3-2015)	Ng Hou Yan	(Resigned on 13-3-2015)
Eng Helen	(Appointed on 13-3-2015)	Tam Kan Yee	(Resigned on 13-3-2015)
Lam Chuen	(Appointed on 13-3-2015)	Wong Chun Hon	(Resigned on 13-3-2015)
Sum Wing Man, Rita	(Appointed on 13-3-2015)	Yu Sin Ying	(Resigned on 13-3-2015)
Tang Yiu Bong	(Appointed on 13-3-2015)		
Tong Yi	(Appointed on 13-3-2015)		
Wan Kai Chun	(Appointed on 13-3-2015)		

REPORT OF THE COUNCILLORS (Cont'd)

COUNCILLORS (Cont'd)

In accordance with articles 36 and 37 of the Society's Articles of Association ("the Articles"), the term of office is two years. However, a President shall not be eligible to be re-elected to the office of President if she has held that office for a continuous period of four years. In accordance with article 38 of the Articles, councillors shall retire at the end of the term of office and, being eligible, offer themselves for re-election. In accordance with article 47 of the Articles, councillor elected to fill up a casual vacancy shall retire at the date when his predecessor would have retired.

The Society did not enter into any contract whereby any individual, firm or body corporate undertakes the management and administration of the whole or any substantial part of any business of the Society.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

At no time during the year was the Society a party to any arrangements to enable the councillors to acquire benefits by means of the acquisition of shares in or debentures of any body corporate.

COUNCILLORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

No contract of significance to which the Society was a party and in which a councillor had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

AUDITOR

The financial statements for the year have been audited by Messrs. Yip, Leung & Co. who retire and, being eligible, offer themselves for re-appointment. A resolution to re-appoint Messrs. Yip, Leung & Co. as auditor of the Society will be submitted at the forthcoming Annual General Meeting.

ON BEHALF OF THE COUNCIL

Law Kwai Mei (President)

Hong Kong,

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
THE HONG KONG SOCIETY OF PROFESSIONAL OPTOMETRISTS LIMITED
(incorporated in Hong Kong, limited by guarantee)

We have audited the financial statements of The Hong Kong Society of Professional Optometrists Limited ("the Society") set out on pages 5 to 10, which comprise the statement of financial position as at 30th November 2015, and the statement of income and retained earnings and the statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Councillors' responsibility for the financial statements

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

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. This report is made solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the councillors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

INDEPENDENT AUDITOR'S REPORT (Cont'd)

Qualified opinion

As explained in note 5 to the financial statements, the councillors consider the Society is a non-profit making organisation and, as such, no provision for profits tax has been made in these financial statements. In forming our opinion, we have considered the potential tax liabilities, estimated well over \$110,000.00, on surpluses from activities of the Society.

In our opinion, except for the fact that no provision has been made for the profits tax liabilities, the financial statements give a true and fair view of the financial position of the Society as at 30th November 2015 and of its financial performance and cash flows for the year then ended in accordance with the Hong Kong Financial Reporting Standard for Private Entities and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

Yip, Leung & Co.
Certified Public Accountants

Unit D, 12/F., Tak Lee Commercial Building,
113-7 Wan Chai Road, Wanchai, Hong Kong

Hong Kong,

THE HONG KONG SOCIETY OF PROFESSIONAL OPTOMETRISTS LIMITED
STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 30TH NOVEMBER 2015

	<u>NOTE</u>	\$	<u>2014</u> \$
INCOME			
Members' fees	2	253,600.00	249,900.00
Bank interest received		15.15	15.15
Activities surpluses	4	51,425.90	199,910.45
Sponsorship and sundry receipts		7,212.00	12,427.00
		312,253.05	462,252.60
Less:			
EXPENDITURE			
Administrative expenses		123,000.00	120,000.00
Audit fee		5,500.00	5,500.00
Bank charges		1,153.00	1,433.00
Business registration fee		2,250.00	250.00
IT expenses		9,740.20	31,206.60
Meeting expenses		1,406.00	14,698.13
Postage and courier charges		1,882.40	5,179.90
Printing and stationery		13,242.00	1,684.50
Professional journals		36,788.85	52,552.80
Scholarship		7,480.00	-
Subscriptions		5,726.90	5,686.43
Sundry expenses		15,913.38	15,992.14
Telecommunications		2,327.00	1,946.80
Travelling expenses		1,732.00	634.00
		228,141.73	256,764.30
SUPPLUS FOR THE YEAR		84,111.32	205,488.30
RETAINED EARNINGS AT START OF YEAR		943,916.73	738,428.43
RETAINED EARNINGS AT END OF YEAR		1,028,028.05	943,916.73

The notes on pages 8 to 10 form part of the statement of income and retained earnings

THE HONG KONG SOCIETY OF PROFESSIONAL OPTOMETRISTS LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 30TH NOVEMBER 2015

	\$	<u>2014</u> \$
CURRENT ASSETS		
Deposits paid	219,210.00	1,274.00
Prepayments	14,362.80	8,815.08
Activities receivable and sundry debtors	43,945.00	113,500.00
Cash and cash equivalents	802,590.05	867,872.35
	1,080,107.85	991,461.43
 CURRENT LIABILITIES		
Receipts in advance	10,000.00	-
Accruals and sundry creditors	42,079.80	47,544.70
	(52,079.80)	(47,544.70)
 NET ASSETS	1,028,028.05	943,916.73
 RETAINED EARNINGS	1,028,028.05	943,916.73

Approved by the Council on

PRESIDENT

COUNCILLOR

THE HONG KONG SOCIETY OF PROFESSIONAL OPTOMETRISTS LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH NOVEMBER 2015

	\$	<u>2014</u> \$
OPERATING ACTIVITIES		
Surplus for the year	84,111.32	205,488.30
Adjustment for:		
Bank interest received	(15.15)	(15.15)
	<u>84,096.17</u>	<u>205,473.15</u>
Increase in deposits paid	(217,936.00)	(1,274.00)
(Increase)/Decrease in prepayments	(5,547.72)	10,492.42
Decrease/(Increase) in activities receivable and sundry debtors	69,555.00	(103,500.00)
Increase in receipts in advance	10,000.00	-
(Decrease)/Increase in accruals and sundry creditors	(5,464.90)	11,220.70
Cash (used in)/generated from operations	(65,297.45)	122,412.27
Bank interest received	<u>15.15</u>	<u>15.15</u>
(DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	(65,282.30)	122,427.42
CASH AND CASH EQUIVALENTS		
At start of year	<u>867,872.35</u>	<u>745,444.93</u>
At end of year	<u><u>802,590.05</u></u>	<u><u>867,872.35</u></u>
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Cash at bank	<u><u>802,590.05</u></u>	<u><u>867,872.35</u></u>

THE HONG KONG SOCIETY OF PROFESSIONAL OPTOMETRISTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The Hong Kong Society of Professional Optometrists Limited ("the Society") is an entity incorporated in Hong Kong and limited by guarantee. In the event of the Society being wound up, its present members and past members whose membership ceased within one year of the commencement of the winding-up procedure are required to contribute up to \$100.00 towards the cost of winding-up. The address of its registered office and principal place of business is Unit 1204, 12/F., Kowloon Building, 555 Nathan Road, Kowloon.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

These financial statements have been prepared in accordance with the Hong Kong Financial Reporting Standard for Private Entities issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong, and the requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention. Members' fees are accounted for on a cash basis.

3. COUNCILLORS' REMUNERATION

None of the councillors had received any remuneration during the year (2014: Nil).

4. ACTIVITIES SURPLUSES / (DEFICITS)

	<u>2015</u>	<u>2014</u>
	\$	\$
Annual Dinner	47,590.90	89,783.90
Asia Cornea & Contact Lens Conference	(9,023.00)	(7,390.00)
Continuing Education Programmes	17,621.50	60,989.10
Press Conferences	-	(1,500.00)
Public Forums	-	(8,363.15)
Seminar for Optometry Product	-	23,401.00
Newsletter	(4,763.50)	42,989.60
Net surplus	<u>51,425.90</u>	<u>199,910.45</u>

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

4. **ACTIVITIES SURPLUSES / (DEFICITS) (Cont'd)**

<u>ANNUAL DINNER</u>	<u>2015</u>	<u>2014</u>
	\$	\$
Participants' contributions	11,600.00	11,800.00
Sponsorship received	150,000.00	220,000.00
	<u>161,600.00</u>	<u>231,800.00</u>
Dinner and venue charges	97,533.00	131,420.70
Gifts	10,038.00	9,980.00
Helpers' charges	200.00	-
Supplies	6,238.10	615.40
	<u>(114,009.10)</u>	<u>(142,016.10)</u>
Surplus	<u>47,590.90</u>	<u>89,783.90</u>
 <u>ASIA CORNEA & CONTACT LENS CONFERENCE</u>	 <u>2015</u>	 <u>2014</u>
	\$	\$
Receipts	-	-
IT expenses	9,023.00	-
Registration fee	-	2,350.00
Travelling and accommodation	-	5,040.00
	<u>(9,023.00)</u>	<u>(7,390.00)</u>
Deficit	<u>(9,023.00)</u>	<u>(7,390.00)</u>
 <u>CONTINUING EDUCATION PROGRAMMES</u>	 <u>2015</u>	 <u>2014</u>
	\$	\$
Sponsorship received	43,945.00	110,000.00
Non-member registration fees received	800.00	350.00
	<u>44,745.00</u>	<u>110,350.00</u>
Helpers' charges	750.00	6,191.60
Speakers' fees	1,060.00	17,000.00
Supplies	3,788.50	6,226.80
Venue expenses	21,525.00	19,942.50
	<u>(27,123.50)</u>	<u>(49,360.90)</u>
Surplus	<u>17,621.50</u>	<u>60,989.10</u>
 <u>PRESS CONFERENCES</u>	 <u>2015</u>	 <u>2014</u>
	\$	\$
Sponsorship received	-	25,500.00
Printing and promotion	-	(27,000.00)
Deficit	<u>-</u>	<u>(1,500.00)</u>

4. **ACTIVITIES SURPLUSES / (DEFICITS) (Cont'd)**

<u>PUBLIC FORUMS</u>	<u>2015</u>	<u>2014</u>
	\$	\$
Receipts	-	-
Advertising and promotion	-	7,670.15
Speakers' fees	-	500.00
Supplies	-	193.00
	-	(8,363.15)
Deficit	-	(8,363.15)
 <u>SEMINAR FOR OPTOMETRY PRODUCT</u>	 <u>2015</u>	 <u>2014</u>
	\$	\$
Sponsorship received	-	25,000.00
Helpers' charges	-	1,500.00
Souvenirs	-	99.00
	-	(1,599.00)
Surplus	-	23,401.00
 <u>NEWSLETTER</u>	 <u>2015</u>	 <u>2014</u>
	\$	\$
Receipts	59,000.00	78,500.00
Printing and postage	(63,763.50)	(35,510.40)
(Deficit)/Surplus	(4,763.50)	42,989.60

5. **TAXATION**

The primary objective of the Society is to benefit the community. Through exhibitions, vision screenings and seminars, the public becomes aware of the ocular health and understands the role the optometrist plays in the protection of the eyesight.

As the Society derives its income from members' fees and sponsorship and it does not carry on any commercial activities, the councillors consider that the Society is a non-profit making organisation and therefore no provision for Hong Kong Profits Tax has been made in these financial statements.