

SCOUT ASSOCIATION OF HONG KONG -  
NEW TERRITORIES REGION

STATEMENT OF CHANGES IN FUNDS

FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2013

	2013 HK\$	2012 HK\$
BALANCE AS AT BEGINNING OF YEAR	9,120,101	7,830,625
ADD: Transfer to/(from) General Fund	205,946	(344,624)
Transfer to New Territories Region Development Fund Commission	(1,998,037)	—
Allocation to Internal Designated Funds	230,000	609,875
Allocation to Designated Fund	50,000	75,000
Allocation from NT Scout Development Fund	—	949,225
BALANCE AS AT END OF YEAR	7,608,010	9,120,101

The accompanying notes form an integral part of these financial statements.

SCOUT ASSOCIATION OF HONG KONG -  
NEW TERRITORIES REGION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2013

	2013 HK\$	2012 HK\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Surplus/(deficit) for the year	205,946	(344,624)
Adjustments for:		
Depreciation	92,985	381,706
Interest Income	(16)	(30)
<b>OPERATING SURPLUS BEFORE WORKING CAPITAL CHANGES:</b>	298,915	37,052
Increase in Inventories	(5,529)	(953)
Decrease/(Increase) in Deposits and Payments in Advance	19,304	(7,802)
Increase in Accounts Receivable	(102,032)	(84,776)
Increase in Accounts Payable	79,584	6,043
Increase in Receipts in Advance	381,490	14,940
Decrease in Deferred Income	—	(340,983)
(Decrease)/Increase in Internal Designated Funds	(1,768,037)	1,559,100
Increase in Designated Fund	50,000	75,000
<b>NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES</b>	(1,046,305)	1,257,621
<b>INVESTING ACTIVITIES</b>		
Disposal/(acquisition) of Available-for-sale Financial Assets	1,000,000	(1,000,000)
Interest Received	16	30
Purchase of Fixed Assets	(304,756)	(43,280)
<b>NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES</b>	695,260	(1,043,250)
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	(351,045)	214,371
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	1,675,693	1,461,322
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	1,324,648	1,675,693

The accompanying notes form an integral part of these financial statements.

SCOUT ASSOCIATION OF HONG KONG -  
NEW TERRITORIES REGION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2013

1. ORGANISATION AND ACTIVITIES

The New Territories Region was registered under Rule 4.2 of the Policy, Organisation and Rules of Scout Association of Hong Kong. Scout Association of Hong Kong is a body corporate with perpetual succession established under the Scout Association of Hong Kong Ordinance (Chapter 1005 of the Laws of Hong Kong) for the purpose of furthering and promoting the Scout movement in the Hong Kong Special Administrative Region ("HKSAR"). Separate sets of financial statements were prepared for Tung Tsz Scout Centre, Shatin Scout Centre, Tai Mei Tuk Sea Activity Centre and Choi Chee Ming Luen Kwong Scout Centre. Tung Tsz Scout Centre is subvented by the Leisure and Cultural Services Department, Home Affairs Bureau, HKSAR.

2. PRINCIPAL ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the Hong Kong Financial Reporting Standards for Private Entities (HKFRS for Private Entities) issued by the Hong Kong Institute of Certified Public Accountants and the requirements of the Scout Association of Hong Kong Ordinance (Chapter 1005 of the Laws of Hong Kong). They have been prepared under the historical cost convention, as explained in accounting policies set out below.

(a) PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated to write off the cost, less their residual values, if any, over their estimated useful lives, using the straight line method, at the following rates per annum:

Computer Equipment	33.33%
Furniture and Fixtures	25%
Leasehold Improvement	20%

Capital expenditure of less than HK\$2,000 is written off in the statement of income and expenditure as incurred.

The residual value and useful life of an asset are reviewed, and adjusted, if appropriate, at the end of each reporting period.

SCOUT ASSOCIATION OF HONG KONG -  
NEW TERRITORIES REGION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2013

2. PRINCIPAL ACCOUNTING POLICIES (CONT'D)

(a) PROPERTY, PLANT AND EQUIPMENT (CONT'D)

The Region assesses at each reporting date whether there is any indication that any item of property, plant and equipment may be impaired and that an impairment loss recognised in prior periods for an item may have decreased. If any such indication exists, the Region estimates the recoverable amount of the item. An impairment loss, being the amount by which the carrying amount of an asset or a cash-generating exceeds its recoverable amount, or a reversal of impairment loss is recognised immediately in the statement of income and expenditure.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in the statement of income and expenditure when the item is derecognised and is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

(b) INCOME AND EXPENDITURE

Income and expenditure are accounted for on an accrual basis except for donations and raffle proceeds which are recognised on cash basis.

Interest income is recognised on a time proportion basis, taking into account the principal amounts outstanding and the interest rates applicable.

Income not designated for any specific purpose is either dealt with in the statement of income and expenditure or credited to the New Territories Regional Scout Fund at the discretion of the Executive Committee.

(c) INVENTORIES

Inventories are stated at the lower of cost and net realisable value, cost being calculated on a first-in first-out basis. Net realisable value is determined on the basis of current anticipated sales proceeds less estimated selling expenses.