

SCOUT ASSOCIATION OF HONG KONG -  
TAI MEI TUK SEA ACTIVITY CENTRE

STATEMENT OF CHANGES IN FUNDS

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

	General Fund HK\$	Internal Designated Fund Amortization Reserve HK\$	Total HK\$
Balance at 1/4/2011	49,066	139,625	188,691
Deficit for the year	(8,111)	—	(8,111)
Transfer from/(to) statement of income and expenditure	44,885	(44,885)	—
Balance at 31/3/2012 and 1/4/2012	85,840	94,740	180,580
Deficit for the year	(29,463)	—	(29,463)
Transfer from statement of income and expenditure	91,657	11,949	103,606
Balance at 31/3/2013	148,034	106,689	254,723

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

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SCOUT ASSOCIATION OF HONG KONG -  
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STATEMENT OF CASH FLOWS

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

	2013 HK\$	2012 HK\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus for the year	62,194	36,774
Adjustment for:		
Depreciation	91,665	68,435
OPERATING SURPLUS BEFORE WORKING CAPITAL CHANGES	153,859	105,209
Decrease in Inventories	32	88
Decrease in Accounts Receivable	480	774
(Decrease)/Increase in Payment in Advance	83	(83)
Decrease in Receipts in Advance	—	(730)
Increase/(Decrease) in Internal Designated Fund	11,949	(44,885)
Increase/(Decrease) in Deferred Income	4,325	(12,250)
NET CASH GENERATED FROM OPERATING ACTIVITIES	170,728	48,123
INVESTING ACTIVITIES		
Acquisition of Property, Plant and Equipment	(125,706)	(11,300)
NET INCREASE IN CASH AND CASH EQUIVALENTS	45,022	36,823
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	80,383	43,560
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	125,405	80,383

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

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SCOUT ASSOCIATION OF HONG KONG -  
TAI MEI TUK SEA ACTIVITY CENTRE

NOTES TO THE FINANCIAL STATEMENTS

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

1. ORGANISATION AND ACTIVITIES

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"). The Association's registered office is located at 100 Tung Tsz, Ting Kok Road, Tai Po, New Territories.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

These financial statements have been prepared in accordance with the Hong Kong Financial Reporting Standards for Private Entities issued by the Hong Kong Institute of Certified Public Accountants. The financial statements are prepared under the historical cost convention.

(b) PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost less aggregate depreciation. Depreciation is calculated to write off their costs on a straight-line basis over their expected useful lives to the Centre. The principal annual rates used for this purpose are as follows:-

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.

(c) REVENUE

Revenue is recognised on the following bases:-

- Subventions, donations, hiring income, as received; and
- from courses and activities, upon completion of services provided.

(d) INVENTORIES

Inventories are stated at the lower of cost and net realisable value, cost being calculated on a first-in first-out basis.

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NOTES TO THE FINANCIAL STATEMENTS

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(e) TAXATION

The Association is exempted from Hong Kong Profits Tax under Section 88 of the Inland Revenue Ordinance.

(f) IMPAIRMENT OF ASSETS

Assets that have an indefinite useful life are not subject to amortization, which are at least tested annually for impairment and are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value-in-use. Any impairment loss is recognised in the statement of income and expenditure to reduce the asset to its recoverable amount.

(g) INTERNAL DESIGNATED FUND

Internal designated fund is fund established by the Centre and earmarked for special purposes.

(i) Amortization Reserve

Amortization Reserve is represented by the net book value of property, plant and equipment funded by the New Territories Region Campsites & Sea Activities Centre Development Fund. Transfers from the New Territories Region Campsites & Sea Activities Centre Development Fund represent additions during the year. Transfers to the statement of income and expenditure represent the corresponding depreciation charged for the year.

3. DEFICIT FOR THE YEAR

Deficit for the year is arrived after charging:

	2013 HK\$	2012 HK\$
Depreciation	91,665	68,435

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