

FAIR TRADE HONG KONG FOUNDATION LIMITED

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2017

班利仕會計師事務所有限公司
Bentleys C.P.A. Company Limited

FAIR TRADE HONG KONG FOUNDATION LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2017

<u>CONTENT</u>	<u>PAGES</u>
REPORT OF THE DIRECTORS	1 - 3
INDEPENDENT AUDITORS' REPORT	4 - 6
INCOME AND EXPENDITURE ACCOUNT	7
STATEMENT OF FINANCIAL POSITION	8
STATEMENT OF CHANGES IN ACCUMULATED FUND	9
STATEMENT OF CASH FLOWS	10
NOTES TO THE FINANCIAL STATEMENTS	11 - 17
DETAILED INCOME AND EXPENDITURE ACCOUNT	18

FAIR TRADE HONG KONG FOUNDATION LIMITED
REPORT OF THE DIRECTORS

The directors have pleasure to present their report and the audited financial statements for the year ended 31st March, 2017.

PRINCIPAL ACTIVITIES

The principal activities of the Foundation during the year were organized a number of activities to raise awareness of Fair Trade and enhance the demand for Fair Trade products in the community. The following are the activities held:

i. Consumer Promotions

The main drive of the movement is to raise consumer awareness of Fair Trade and Fair Trade products. Fair Trade Fortnight, which was first launched in 2010, is now the annual signature event of FTHK, Fair Trade Fiesta 2016 has achieved great success with 7-days bozaar, reaching HKD310,342. Moreover, we have collaborated with different organizations in spreading the message.

- (a) Fair Trade Fiesta 2016 - 7 day Fair Trade Fair from 13th May, 2016 to 19th May, 2016;
- (b) Think of a Style Market - The True Cost on from 9th July, 2016 to 10th July, 2016.
- (c) Fair Trade charity football match on 29th October, 2016;
- (d) Co-organize Ethical Consumption Month 2016 from November, 2016 to December, 2016.

ii. Bring Fair Trade to Your School ("BFTYS") Programme

With the funding from Oxfam Hong Kong, our Fair Trade Education Committee carried out a successful BFTYS Programme during the school year 2016-17, reaching out to 6,098 students, total 61 activities is organized.

iii Fairtrade Marketing Organization of Fairtrade International

In July 2012, the Foundation was authorized by Fairtrade International to become a Fairtrade Marketing Organization ("FMO") which has the official status to promote and monitor the FAIRTRADE Mark in Hong Kong, Macau and Mainland China.

Roles of a FMO are:

- (a) Promoting awareness of Fairtrade products in its country or region;
- (b) Monitoring and granting the use of the FAIRTRADE mark;
- (c) Providing potential licensees with information on the Fairtrade system, licensing and artwork approval support;
- (d) Reporting (Business Plan, work plan, update for GA, audited annual accounts) to Fairtrade International

FAIR TRADE HONG KONG FOUNDATION LIMITED
REPORT OF THE DIRECTORS

PRINCIPAL ACTIVITIES (CONT'D)

iv Organization Structure and Institutional Development

A 1-year strategic plan was developed from January 2017 to December 2017. FTHK got a funding support from Oxfam Hong Kong for this proposal.

FTHK recognizes the importance and the competitiveness of the fundraising environment in Hong Kong's non-profit making industry sector. Therefore, FTHK organized 3rd Fair Trade Charity Football Match on 29th October, 2016 which raised over HK\$233,097 for FTHK.

RESULTS

The results and cash flows of the Foundation for the year ended 31st March, 2017 and the state of affairs of the Foundation at that date are set out in the financial statements on pages 7 to 17.

DIRECTORS

The directors who held office during the year and up to the date of this report were:

Ambrose Ho	
Cheung Yat Sum, Maria	
Kan Chung Kan, Clara	(Resigned on 12th November, 2016)
Lau Mei-yin	
Leung Pui Fung	
Yip Pui Wah, Miranda	
Tung Yin Kwun, Mark	(Resigned on 9th July, 2016)
Lloyd Alison Elizabeth	
Chung Yan Tung, Annie	
Li Yiu Shing, Delton	(Appointed on 12th November, 2016)
Chan Pui Chu, Daisy	(Appointed on 13th May, 2017)

In accordance with the Foundation's Articles of Association, the number nearest to one-half of the directors shall retire and, being eligible, offer themselves for re-election.

FAIR TRADE HONG KONG FOUNDATION LIMITED
REPORT OF THE DIRECTORS

PERMITTED INDEMNITY PROVISION

At the time of approval of this report, there are no permitted indemnity provisions in force for the benefit of one or more directors of the Foundation.

DIRECTORS' INTERESTS

There were no contracts of significance to which the Foundation was a party and in which a director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

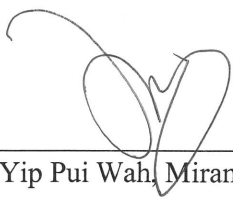
MANAGEMENT CONTRACTS

No contracts of significance concerning the management and administration of the whole or any substantial part of the activities of the Foundation were entered into or subsisted during the year.

AUDITORS

The financial statements have been audited by Messrs. Bentleys C.P.A. Company Limited who retires, and being eligible, offers itself for re-appointment.

On behalf of the Board



Yip Pui Wah, Miranda
Chairman

Hong Kong, 15th September, 2017

班利仕會計師事務所有限公司

BENTLEYS C.P.A. COMPANY LIMITED

Office B, 9/F., Hua Chiao Commercial Centre, 678 Nathan Road, Mongkok, Kowloon, Hong Kong
香港九龍旺角彌敦道 678 號華僑商業中心 9 樓 B 室
Tel: (852) 3577 7777 Fax: (852) 3188 4299

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
FAIR TRADE HONG KONG FOUNDATION LIMITED
(Incorporated in Hong Kong with liability limited by guarantee)

Opinion

We have audited the financial statements of Fair Trade Hong Kong Foundation Limited ("the Foundation") set out on pages 7 to 17, which comprise the statement of financial position as at 31st March, 2017, and the income and expenditure account, statement of changes in accumulated fund and statement of cash flows for the year ended 31st March, 2017, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of the Foundation as at 31st March, 2017 and of its surplus and 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 Financial Statements section of our report. We are independent of the Foundation 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 information included in the directors' report set out on pages 1 to 3 and detailed income and expenditure account set out on page 18, 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.

Head Office:

22/F., CMA Building,
64-66 Connaught Road Central, H. K.

Branch Office:

Office B, 9/F., Hua Chiao Commercial Centre,
678 Nathan Road, Mongkok, Kowloon, H. K.



班利仕會計師事務所有限公司

BENTLEYS C.P.A. COMPANY LIMITED

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INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
FAIR TRADE HONG KONG FOUNDATION LIMITED
(Incorporated in Hong Kong with liability limited by guarantee)

Responsibilities of Directors for the Financial Statements

The directors are responsible for the preparation of 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 directors determine is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Foundation'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 Foundation or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibility is to express an opinion on these financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance (Cap. 622) and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. 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 HKSA's 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 HKSA's, 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.

班利仕會計師事務所有限公司

BENTLEYS C.P.A. COMPANY LIMITED

Office B, 9/F., Hua Chiao Commercial Centre, 678 Nathan Road, Mongkok, Kowloon, Hong Kong
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INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
FAIR TRADE HONG KONG FOUNDATION LIMITED
(Incorporated in Hong Kong with liability limited by guarantee)

Auditor's Responsibilities for the Audit of the Financial Statements (Cont'd)

- 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 Foundation'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 Foundation'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 Foundation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Bentleys C.P.A. Company Limited
Certified Public Accountants
Hong Kong, 15th September, 2017
Lam Wing Yi, Jerry, Certificate number P01522

FAIR TRADE HONG KONG FOUNDATION LIMITED
 INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST MARCH, 2017

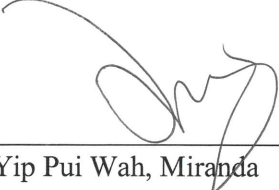
	Note	2017 HK\$	2016 HK\$
REVENUE	3	586,703	482,281
OTHER REVENUE	3	1,005	17,482
OPERATING EXPENSES		<u>(213,415)</u>	<u>(112,084)</u>
SURPLUS FOR THE YEAR	4	<u><u>374,293</u></u>	<u><u>387,679</u></u>


The annexed notes on pages 11 to 17 form an integral part of these financial statements.

FAIR TRADE HONG KONG FOUNDATION LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31ST MARCH, 2017

	Note	2017 HK\$	2016 HK\$
CURRENT ASSETS			
Rental deposits		5,800	5,500
Cash at bank		369,086	210,305
		<u>374,886</u>	<u>215,805</u>
CURRENT LIABILITY			
Accrued expenses and other payables		<u>(16,712)</u>	<u>(5,000)</u>
NET CURRENT ASSETS		<u>358,174</u>	<u>210,805</u>
Representing:			
GENERAL FUND		435,120	55,827
OTHER FUND	6	<u>(76,946)</u>	<u>154,978</u>
		<u>358,174</u>	<u>210,805</u>

Approved by the Board of Directors on 15th September, 2017.


Yip Pui Wah, Miranda
Chairman


Lau Mei-yin
Treasurer

The annexed notes on pages 11 to 17 form an integral part of these financial statements.

FAIR TRADE HONG KONG FOUNDATION LIMITED
STATEMENT OF CHANGES IN ACCUMULATED FUND
FOR THE YEAR ENDED 31ST MARCH, 2017

	General Fund HK\$	Other Fund HK\$	Total HK\$
Balance as at 1.4.2015	74,161	234,129	308,290
Surplus for the year	387,679	-	387,679
Net fund used	<u>(406,013)</u>	<u>(79,151)</u>	<u>(485,164)</u>
Balance as at 31.3.2016	<u>55,827</u>	<u>154,978</u>	<u>210,805</u>
Balance as at 1.4.2016	55,827	154,978	210,805
Surplus for the year	374,293	-	374,293
Net fund used	<u>5,000</u>	<u>(231,924)</u>	<u>(226,924)</u>
Balance as at 31.3.2017	<u>435,120</u>	<u>(76,946)</u>	<u>358,174</u>

The annexed notes on pages 11 to 17 form an integral part of these financial statements.

FAIR TRADE HONG KONG FOUNDATION LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST MARCH, 2017

	2017 HK\$	2016 HK\$
Cash flows from operating activities		
Surplus for the year	374,293	387,679
Operating surplus before changes in working capital	374,293	387,679
Increase in rental deposits	(300)	-
Increase/(decrease) in accrued expenses and other payables	11,712	(13,743)
Net cash generated from operating activities	385,705	373,936
Cash flows from financing activities		
Net funds used	(226,924)	(485,164)
Net increase/(decrease) in cash and cash equivalents	158,781	(111,228)
Cash and cash equivalents at beginning of the year	210,305	321,533
Cash and cash equivalents at end of the year	369,086	210,305
Analysis of balance of cash and cash equivalents		
Cash at bank	369,086	210,305

The annexed notes on pages 11 to 17 form an integral part of these financial statements.

FAIR TRADE HONG KONG FOUNDATION LIMITED
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31ST MARCH, 2017

GENERAL INFORMATION

Fair Trade Hong Kong Foundation Limited is the Foundation incorporated in Hong Kong with limited by guarantee and without share capital. The liability of individual members is limited by guarantee not exceeding an amount of HK\$10 for each member.

The address of its registered office is 2 Castle Peak Road, Castle Peak Bay, Tuen Mun, New Territories.

The principal activities of the Foundation during the year were organized a number of activities to raise awareness of Fair Trade and enhance the demand for Fair Trade.

1. APPLICATION OF NEW AND AMENDED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

In the current year, the Foundation has applied the following new or amended standards, amendments and interpretations ("new HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") that are effective for the accounting period beginning on 1st January, 2017.

HKAS 1 (Amendments)	Disclosure Initiative
HKAS 7 (Amendments)	Disclosure Initiative
HKAS 12 (Amendments)	Recognition of Deferred Tax Assets for Unrealised Losses
Amendments to HKAS 16 and HKAS 38	Property, plant and equipment and Clarification of Acceptable Methods of Depreciation and Amortisation
Amendments to HKAS 16 and HKAS 41	Agriculture: Bearer Plants
HKAS 27 (Amendments)	Equity Method in Separate Financial Statements
HKFRSs (Amendments)	Annual Improvements to HKFRSs 2012-2014 Cycle
Amendments to HKFRS 10, HKFRS 12 and HKAS 28	Investment Entities: Applying the Consolidation Exception
HKFRS 11 (Amendments)	Accounting for Acquisitions of Interests in Joint Operations
HKFRS 14	Regulatory Deferral Accounts

The adoption of the new and amended HKFRSs had no material effect on the financial statements of the Foundation for the current or prior accounting periods.

New and amended HKFRSs in issue but not yet effective

The Foundation has not early applied the following new and amended Standards and Interpretations that have been issued but are not yet effective:

HKFRS 2 (Amendments)	Classification and Measurement of Share-based Payment Transactions ¹
HKFRS 9	Financial Instruments ¹
HKFRS 15	Revenue from Contracts with Customers ¹

FAIR TRADE HONG KONG FOUNDATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2017

1. APPLICATION OF NEW AND AMENDED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (CONT'D)

HKFRS 16	Leases ²
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³

¹Effective for annual periods beginning on or after 1st January, 2018.

²Effective for annual periods beginning on or after 1st January, 2019.

³Effective for annual periods beginning on or after a date to be determined.

The directors of the Foundation anticipate that the application of the other new and amended standards, amendments and interpretations will have no material impact on the financial statements.

2. STATEMENT OF COMPLIANCE

The Foundation's financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (HKFRSs), which includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (HKASs) and Interpretations issued by the Hong Kong Institute of Certified Public Accounts (HKICPA), accounting principles generally accepted in Hong Kong. These financial statements also comply with the applicable requirements of the Hong Kong Companies Ordinance. A summary of the significant accounting policies adopted by the Foundation is set out in note 3.

The HKICPA has issued certain new and amended HKFRSs that are first effective or available for early adoption for the current accounting period of the Foundation. Note 3 provides information on any changes in accounting policies resulting from initial application of these developments. The adoption of these new and amended HKFRSs did not result in significant changes to the Foundation's accounting policies applied in these financial statements for the years presented. The Foundation has not applied any new standard or interpretation that is not yet effective for the current accounting period.

The preparation of financial statements in conformity with HKFRSs requires the use of certain key assumptions and estimates. It also requires the directors to exercise its judgements in the process of applying the accounting policies. The areas involving critical judgements and areas where assumptions and estimates are significant to these financial statements to the financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation of the financial statements

These financial statements have been prepared under the historical cost convention.

FAIR TRADE HONG KONG FOUNDATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2017

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(b) Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Foundation and when the revenue can be measured reliably, on the following base:

Donations received are recognised when donation received.

Partnership fee is recognized when the fee is payable to that partnership year.

Bank interest income is recognised on receipt basis.

(c) Taxation

Provision for taxation is not required as the Foundation has been exempted from Hong Kong Profits Tax under Section 88 of the Inland Revenue Ordinance.

(d) Project expenditure

Project expenditure is expensed in the year in which it is incurred.

(e) Employee benefits

Obligations for contributions to defined contribution retirement plans, including contributions payable under the Hong Kong Mandatory Provident Fund Schemes Ordinance, are recognised as an expenditure in the income and expenditure account.

(f) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank that are readily convertible into known amounts of cash and which are subject to an insignificant risks of changes in value, having been within three months of maturity at acquisition.

FAIR TRADE HONG KONG FOUNDATION LIMITED
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31ST MARCH, 2017

3. REVENUE

The principal activities of the Foundation during the year were organized a number of activities to raise awareness of Fair Trade and enhance the demand for Fair Trade products in the community.

The amount of revenue recognised during the year is as follows:

	2017 HK\$	2016 HK\$
REVENUE		
Sponsorship and donation	388,451	356,024
Income from activities	198,252	126,257
	<u>586,703</u>	<u>482,281</u>
OTHER REVENUE		
Bank interest income	1	2
Sundry income	1,004	17,480
	<u>1,005</u>	<u>17,482</u>
	<u>587,708</u>	<u>499,763</u>

4. SURPLUS FOR THE YEAR

Surplus for the year is arrived at after charging the following:

	2017 HK\$	2016 HK\$
Auditors' remuneration		
- General fund	-	5,000
- Other fund	5,000	-
Other staff costs		
- Salaries and allowances	41,879	31,800
- Mandatory provident fund	2,114	1,422
Operating lease charge for land and building	<u>11,650</u>	<u>57,320</u>

5. DIRECTORS' EMOLUMENTS

None of the directors received any emoluments for the year. (2016: Nil)

FAIR TRADE HONG KONG FOUNDATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2017

6. OTHER FUND

	Strategic plan HK\$	FT Marketing organisation HK\$	Bring FT to your school fund 2012-2013 HK\$	Bring FT to your school fund 2013-2014 HK\$
Balance as at 1.4.2015	(191,903)	198,874	2,950	(960)
Fund raised	1,443,746	172,981	-	960
Fund expenditure	<u>(1,121,905)</u>	<u>(365,202)</u>	<u>(2,950)</u>	<u>-</u>
Balance as at 31.3.2016	<u>129,938</u>	<u>6,653</u>	<u>-</u>	<u>-</u>
Balance as at 1.4.2016	129,938	6,653	-	-
Fund raised	650,317	110,135	-	-
Fund expenditure	<u>(766,863)</u>	<u>(302,510)</u>	<u>-</u>	<u>-</u>
Balance as at 31.3.2017	<u>13,392</u>	<u>(185,722)</u>	<u>-</u>	<u>-</u>
	Bring FT to your school fund 2014-2015 HK\$	Bring FT to your school fund 2016-2018 HK\$	FT fortnight fund 2012 HK\$	FT fortnight fund 2013 HK\$
Balance as at 1.4.2015	63,805	-	1,037	(13,349)
Fund raised	255,338	-	-	13,349
Fund expenditure	<u>(299,829)</u>	<u>-</u>	<u>(1,037)</u>	<u>-</u>
Balance as at 31.3.2016	<u>19,314</u>	<u>-</u>	<u>-</u>	<u>-</u>
Balance as at 1.4.2016	19,314	-	-	-
Fund raised	56,540	229,540	-	-
Fund expenditure	<u>(84,754)</u>	<u>(164,362)</u>	<u>-</u>	<u>-</u>
Balance as at 31.3.2017	<u>(8,900)</u>	<u>65,178</u>	<u>-</u>	<u>-</u>

FAIR TRADE HONG KONG FOUNDATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2017

6. OTHER FUND (CONT'D)

	FT fortnight fund 2014 HK\$	School award HK\$	Jockey Club Fair Trade School Award Scheme HK\$	Macau education HK\$
Balance as at 1.4.2015	40,309	133,366	-	-
Fund raised	-	1,987	-	31,500
Fund expenditure	<u>(40,309)</u>	<u>(135,353)</u>	<u>(27,433)</u>	<u>(4,994)</u>
Balance as at 31.3.2016	<u>-</u>	<u>-</u>	<u>(27,433)</u>	<u>26,506</u>
Balance as at 1.4.2016	-	-	(27,433)	26,506
Fund raised	-	-	200,665 *	123,500
Fund expenditure	<u>-</u>	<u>-</u>	<u>(269,306)</u>	<u>(14,826)</u>
Balance as at 31.3.2017	<u>-</u>	<u>-</u>	<u>(96,074)</u>	<u>135,180</u>
				Total HK\$
Balance as at 1.4.2015				234,129
Fund raised				1,919,861
Fund expenditure				<u>(1,999,012)</u>
Balance as at 31.3.2016				<u>154,978</u>
Balance as at 1.4.2016				154,978
Fund raised				1,370,697
Fund expenditure				<u>(1,602,621)</u>
Balance as at 31.3.2017				<u>(76,946)</u>

* Charitable donations received from The Hong Kong Jockey Club Charities Trust during the year amounted to HK\$200,665 (2016: Nil).

FAIR TRADE HONG KONG FOUNDATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2017

7. OPERATING LEASES COMMITMENTS

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

	2017 HK\$	2016 HK\$
Within one year	<u>52,200</u>	<u>49,500</u>

8. FINANCIAL RISK MANAGEMENT

The Foundation's activities do not expose it to any significant financial risk.

9. LIMITED BY GUARANTEE

The Foundation is limited by guarantee and does not have a share capital.

FAIR TRADE HONG KONG FOUNDATION LIMITED
DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST MARCH, 2017
(For management information purposes only)

	2017 HK\$	2016 HK\$
REVENUE		
Sponsorship and donation	388,451	356,024
Income from activities	198,252	126,257
	<u>586,703</u>	<u>482,281</u>
OTHER REVENUE		
Bank interest income	1	2
Sundry income	1,004	17,480
	<u>587,708</u>	<u>499,763</u>
LESS: EXPENDITURE		
Advertising	137,480	6,756
Auditors' remuneration	-	5,000
Bank charges	350	975
Insurance	6,700	-
Mandatory provident fund	2,114	1,422
Medical allowance	690	450
Rental fee	11,650	57,320
Salaries and allowances	41,879	31,800
Sundry expenses	12,552	8,361
	<u>213,415</u>	<u>112,084</u>
SURPLUS FOR THE YEAR	<u><u>374,293</u></u>	<u><u>387,679</u></u>