

*Directors' Report*  
*Independent Auditor's Report and Financial Statements*  
*The Association of Christian Accountants Limited*  
*基督徒會計師團契有限公司*  
*(Limited by Guarantee)*  
*For the year ended 31 December 2011*



23000816226  
AC 1293050  
26/11/2012



香港長城會計師事務所有限公司  
HONG KONG GREAT WALL  
CERTIFIED PUBLIC ACCOUNTANTS LIMITED

**The Association of Christian Accountants Limited**  
**基督徒會計師團契有限公司**  
*(Limited by Guarantee)*

**Reports and Financial Statements**  
**For the year ended 31 December 2011**

**Contents**

---

	Pages
Report of the Directors	1 - 2
Independent Auditor's Report	3 - 4
Statement of Comprehensive income	5
Statement of Financial Position	6
Statement of Changes in Funds	7
Statement of Cash Flows	8
Notes to the Financial Statements	9 - 15

**The Association of Christian Accountants Limited**

基督徒會計師團契有限公司

(Limited by Guarantee)

**Report of the Directors**

---

The directors have pleasure in submitting their annual report and the audited financial statements of The Association of Christian Accountants Limited (the "Association") for the year ended 31 December 2011.

**Principal activities**

The principal activities of the Association are:

- To help, guide and unite Christians engaged in the accounting profession in the mutual edification and nurturing of spiritual life;
- To promote and stimulate consideration of the gospel of Jesus Christ within the accounting profession; and
- To organize gatherings, meetings and worships for Christians for the advancement of Christianity.

There were no significant changes in the nature of the Association's principal activities during the year.

**Results**

The surplus of the Association for the year ended 31 December 2011 and the state of the Association's affairs at that date are set out in the financial statements on pages 5 to 15.

**Donation**

No donation was made for the year (2010: HK\$18,000).

**Directors**

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

Chan Nap Shan Jacqueline

Chai Hweei Sien Deborah

Chao Man Ching Ronald

Cheng Kwok Wai David

Kwok Fung Ha Iris

Lai Miu Shan Michelle

(Resigned on 30 June 2012)

Law Elizabeth

Lo Chi Chung William

Po Chun Wong Danny

Sun Tak Kei David

(Resigned on 30 June 2012)

Tso Miu Yue Agnes

Tsoi Siu Ho Robert

Yam Tak Fai Ronald

Yuen Hoi Pak Patrick

Chan Chiu Kong Edmond

(Appointed on 23 June 2011)

Hsu Wai Man Helen

(Appointed on 23 June 2011)

Leung Woon Kan Deborah

(Appointed on 23 June 2011)

Chiu Wai Hon Tyrone

(Resigned on 23 June 2011)

**The Association of Christian Accountants Limited**

基督徒會計師團契有限公司

(Limited by Guarantee)

**Report of the Directors**

---

**Directors (Continued)**

In accordance with Article 48 of the Association's Article of Association, not less than 50% of the Board of Directors shall retire from office at the Annual General Meeting. The Directors to retire shall be those who have been longest in office since their last election, but as between the Directors elected on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by the casting of lots.

A retiring Director shall not be eligible for re-election if the Director has held office for more than 6 consecutive years at the Annual General Meeting. Any such Director shall be eligible for election as Director in the next and subsequent Annual General Meetings.

The following directors will retire and, with the exception of Tso Miu Yue Agnes and Tsoi Siu Ho Robert, are eligible and will offer themselves for re-election at the forthcoming Annual General Meeting:

Chai Hweei Sien, Deborah

Cheng Kwok Wai David

Hsu Wai Man Helen

Kwok Fung Ha Iris

Leung Woon Kan Deborah

Lo Chi Chung William

Tso Miu Yue Agnes

Tsoi Siu Ho Robert

Yam Tak Fai Ronald

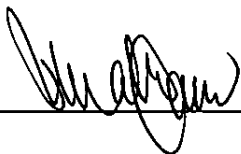
**Directors' interests in contracts**

No contracts of significance in relation to the Association's business to which the Association was a party and in which a director of the Association had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

**Auditors**

Messrs. Hong Kong Great Wall Certified Public Accountants Limited retire. A resolution for the appointment of auditor of the Association will be proposed at the forthcoming annual general meeting.

*By the order of the Board*



\_\_\_\_\_  
*Director*

Hong Kong, 31 JUL 2012

香港長城會計師事務所有限公司  
**HONG KONG GREAT WALL**  
**CERTIFIED PUBLIC ACCOUNTANTS LIMITED**

香港灣仔告士打道50號馬來西亞大廈12字樓  
12/F., Malaysia Building, 50 Gloucester Road, Wanchai, Hong Kong.  
Tel: (852) 2332 0661 (23 lines) Fax: (852) 2332 0304, 2388 2086 E-mail: a@hkgreatwall.com.hk

**Independent Auditor's Report**

To the members of

**The Association of Christian Accountants Limited**

基督徒會計師團契有限公司

*(incorporated in Hong Kong with limited by guarantee and not having a share capital)*

We have audited the financial statements of The Association of Christian Accountants Limited (the "Association") set out on pages 5 to 15 which comprise the Association's statement of financial position as at 31 December 2011, the statement of comprehensive income, the statement of changes in funds and the statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

*Directors' responsibility for the financial statements*

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants 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.

*Auditor's responsibility*

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 141 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 directors, 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.

# HONG KONG GREAT WALL

CERTIFIED PUBLIC ACCOUNTANTS LTD.

香港長城會計師事務所有限公司

## Independent Auditor's Report

To the members of

**The Association of Christian Accountants Limited**

基督徒會計師團契有限公司

*(incorporated in Hong Kong with limited by guarantee and not having a share capital)*

### *Opinion*

In our opinion, the financial statements give a true and fair view of the state of affairs of the Association as at 31 December 2011, and of its surplus, and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the Hong Kong Companies Ordinance.



*Hong Kong Great Wall*

*Certified Public Accountants Limited*

*Certified Public Accountants*

*Hong Kong, 31 JUL 2012*

*Yuen Shu Tong*

*Practising Certificate Number: P02140*

**The Association of Christian Accountants Limited**  
**基督徒會計師團契有限公司**  
*(Limited by Guarantee)*

**Statement of Comprehensive Income**  
**For the year ended 31 December 2011**

	<i>Notes</i>	<b>Year ended 31 December</b>	
		<b>2011</b>	<b>2010</b>
		<b>HK\$</b>	<b>HK\$</b>
<b>Turnover</b>	4	<b>13,520</b>	25,400
<b>Other income</b>	4	<b>6,502</b>	1
<b>Net surplus/(deficit) from operating activities</b>	5	<b>19,514</b>	(12,253)
<b>Administrative expenses</b>			
Bank charges		(878)	(475)
Printing and stationery		(17,752)	(4,228)
Professional fees		(705)	(1,505)
Sundry expenses		(2,405)	(800)
Telephone expenses		(859)	(157)
		<b>(22,599)</b>	<b>(7,165)</b>
<b>Surplus and total comprehensive income for the year</b>	6	<b>16,937</b>	<b>5,983</b>

The notes on pages 9 to 15 are an integral part of these financial statements.

**The Association of Christian Accountants Limited**

基督徒會計師團契有限公司

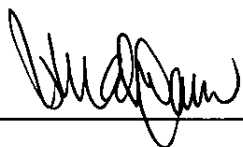
(Limited by Guarantee)

**Statement of Financial Position**

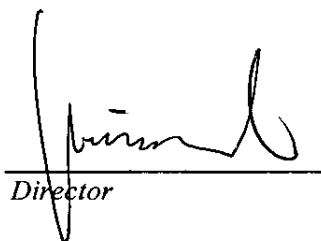
At 31 December 2011

	2011	2010
	<i>HK\$</i>	<i>HK\$</i>
<b>ASSETS</b>		
<b>Current assets</b>		
Membership fee receivables	320	320
Other receivables	-	500
Cash and bank balances	<u>190,891</u>	<u>173,454</u>
	<u>191,211</u>	<u>174,274</u>
<b>TOTAL ASSETS</b>	<u>191,211</u>	<u>174,274</u>
<b>ASSOCIATION'S FUNDS</b>		
Accumulated surplus	<u>191,211</u>	<u>174,274</u>

Approved and authorised for issue by the Board of Directors on 31 JUL 2012



Director



Director

The notes on pages 9 to 15 are an integral part of these financial statements.



**The Association of Christian Accountants Limited**

基督徒會計師團契有限公司

*(Limited by Guarantee)*

**Statement of Changes in Funds**

For the year ended 31 December 2011

---

	<b>Accumulated surplus HK\$</b>
At 1 January 2010	168,291
Total comprehensive income for the year	<u>5,983</u>
At 31 December 2010 and 1 January 2011	174,274
Total comprehensive income for the year	<u>16,937</u>
<b>At 31 December 2011</b>	<b><u><u>191,211</u></u></b>

The notes on pages 9 to 15 are an integral part of these financial statements.

**The Association of Christian Accountants Limited**  
**基督徒會計師團契有限公司**  
*(Limited by Guarantee)*

**Statement of Cash Flows**

For the year ended 31 December 2011

	Note	Year ended 31 December	
		2011 HK\$	(Restated) 2010 HK\$
<b>Cash flows from operating activities</b>			
Surplus for the year		16,937	5,983
Adjustment for:			
Bank interest income	6	(2)	(1)
		<b>16,935</b>	<b>5,982</b>
<b>Changes in working capital</b>			
Decrease in membership fee receivables		-	10,780
Decrease/(increase) in other receivables		500	(500)
Decrease in other payables		-	(400)
<b>Net cash generated from operating activities</b>		<b>17,435</b>	<b>15,862</b>
<b>Cash flows from investing activities</b>			
Bank interest received		2	1
<b>Net cash generated from investing activities</b>		<b>2</b>	<b>1</b>
<b>Net increase in cash and cash equivalents</b>		<b>17,437</b>	<b>15,863</b>
Cash and cash equivalents brought forward		173,454	157,591
<b>Cash and cash equivalents carried forward</b>		<b>190,891</b>	<b>173,454</b>

**ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS**

	2011 HK\$	2010 HK\$
Cash and bank balances	<b>190,891</b>	<b>173,454</b>

The notes on pages 9 to 15 are an integral part of these financial statements.

**The Association of Christian Accountants Limited**

基督徒會計師團契有限公司

*(Limited by Guarantee)*

**Notes to the Financial Statements**

For the year ended 31 December 2011

---

**1. GENERAL INFORMATION**

The Association was incorporated under the Hong Kong Companies Ordinance on 9 December 2008 as a company limited by guarantees and not having a share capital. The liability of each member is limited to the extent of HK\$1.

The address of the registered office and principal place of businesses is 29/F., Caroline Centre, Lee Gardens Two, 28 Yun Ping Road, Causeway Bay, Hong Kong.

The principal activities of the Association are:

- To help, guide and unite Christians engaged in the accounting profession in the mutual edification and nurturing of spiritual life;
- To promote and stimulate consideration of the gospel of Jesus Christ within the accounting profession; and
- To organize gatherings, meetings and worships for Christians for the advancement of Christianity.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Association's financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs") which is a collective term and includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the Hong Kong Companies Ordinance. A summary of the significant accounting policies adopted by the Association is set out below.

**Basis of accounting**

The financial statements have been prepared using the historical cost convention and are presented in Hong Kong dollars ("HK\$").

**Impact of new and revised Hong Kong Financial Reporting Standards**

The HKICPA has issued a number of amendments to HKFRSs and one new interpretation that are first effective for the current accounting period of the Association. Of these, the following developments are relevant to the Association's financial statements:

- HKAS 24 (revised 2009), Related party disclosures
- Improvements to HKFRSs (2010)

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Impact of new and revised Hong Kong Financial Reporting Standards (continued)**

HKAS 24 (revised 2009) revises the definition of a related party. As a result, the Association has re-assessed the identification of related parties and concluded that the revised definition does not have any material impact on the Association's related party disclosures in the current and previous period. HKAS 24 (revised 2009) also introduces modified disclosure requirements for government-related entities. This does not cause any impact to the Association because the Association is not a government-related entity.

Improvements to HKFRSs (2010) omnibus standard introduces a number of amendments to the disclosure requirements in HKFRS 7 financial instruments. The disclosures about the Association's financial instruments have been conformed to the amended disclosure requirements. These amendments do not have an material impact on the classification, recognition and measurements of the amounts recognised in the financial statements in the current and previous periods.

**Issued but not yet effective Hong Kong Financial Reporting Standards**

The Association has not applied the new Hong Kong Financial Reporting Standards ("HKFRSs") that have been issued but are not yet effective. The Association has already commenced an assessment of the impact of these new HKFRSs but is not yet in a position to state whether these new HKFRSs would have a material impact on its results of operations and financial position.

**Revenue recognition**

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

Income in respect of membership fees are recognised when they are received and receivable.

Donation income is recognised upon actual receipt of money.

Interest income from bank deposits is accrued on a time proportion basis by reference to the principal outstanding and at the interest rate applicable.

**Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition.

**The Association of Christian Accountants Limited**

基督徒會計師團契有限公司

*(Limited by Guarantee)*

**Notes to the Financial Statements**

For the year ended 31 December 2011

---

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Impairment of receivables**

Impairment losses are written off against the corresponding assets directly, except for impairment losses recognised in respect of membership fee receivables, whose recovery is considered doubtful but not remote. In this case, the impairment losses for doubtful debts are recorded using an allowance account. When the Association is satisfied that recovery is remote, the amount considered irrecoverable is written off against membership fee receivables directly and any amounts held in the allowance account relating to that debt are reversed. Subsequent recoveries of amounts previously charged to the allowance account are reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly are recognised in surplus or deficit.

**Receivables**

Receivables are initially recognised at fair value and thereafter stated at amortised cost less allowance for impairment of doubtful debts.

**Related parties**

For the purposes of these financial statements, a party is considered to be related to the Association if:

- (a) A person, or a close member of that person's family, is related to the Association if that person:
  - (i) has control or joint control over the Association;
  - (ii) has significant influence over the Association; or
  - (iii) is a member of the key management personnel of the Association or the Association's parent.
  
- (b) An entity is related to the Association if any of the following conditions applies:
  - (i) The entity and the Association are members of the same Association (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 an Association 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 entity 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 Association or an entity related to the Association.
  - (vi) The entity is controlled or jointly controlled by a person identified in (a).

**The Association of Christian Accountants Limited**

基督徒會計師團契有限公司

*(Limited by Guarantee)*

**Notes to the Financial Statements**

For the year ended 31 December 2011

---

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Related parties (Continued)**

- (b) (vii) A person identified in (a)(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). 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.

Close family members of an individual are those family members who may be expected to influence, or be influenced by, that individual their dealings with the entity.

**Taxation**

No provision for Hong Kong Profits Tax has been made in the financial statements as the Association is a charitable institution under Section 88 of the Inland Revenue Ordinance (Chapter 112) and is therefore exempted from taxes levied under this Ordinance.

**3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENT**

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Association makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. However, there are no estimates and assumption used on these financial statements that the directors expect will have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**The Association of Christian Accountants Limited**

基督徒會計師團契有限公司

(Limited by Guarantee)

**Notes to the Financial Statements**

For the year ended 31 December 2011

**4. TURNOVER AND OTHER INCOME**

The Association's turnover represents membership fees and donation received.

	Year ended 31 December	
	2011	2010
	HK\$	HK\$
<b>Turnover</b>		
Life Membership Fees	11,000	23,000
Annual Membership Fees	2,400	1,900
Donation received	120	500
	<u>13,520</u>	<u>25,400</u>
<b>Other income</b>		
Sales of ACA diaries	6,500	-
Bank interest	2	1
	<u>6,502</u>	<u>1</u>
	<u>20,022</u>	<u>25,401</u>

**5. NET SURPLUS/(DEFICIT) FROM OPERATING ACTIVITIES**

Net surplus/(deficit) from operating activities represents the net surplus/(deficit) arising from different activities of the Association in the year such as the annual general meeting, monthly fellowship gatherings, annual dinner, China trips and other activities.

	Year ended 31 December	
	2011	2010
	HK\$	HK\$
Activities income	<u>250,767</u>	<u>244,983</u>
Less: Expenses		
Donation	-	18,000
Meals	101,871	191,583
Printing and stationery	12,018	11,733
Speakers fee	2,000	2,376
Travelling expenses	112,324	30,344
Venue booking fee	3,040	3,200
	<u>231,253</u>	<u>257,236</u>
Net surplus/(deficit) from operating activities	<u>19,514</u>	<u>(12,253)</u>

Notes to the Financial Statements  
 For the year ended 31 December 2011

6. SURPLUS AND TOTAL COMPRENSIVE INCOME FOR THE YEAR

Surplus and total comprehensive income for the year is arrived at after charging/(crediting):

	Year ended 31 December	
	2011	2010
	HK\$	HK\$
Auditor's remuneration	-	-
Bank interest income	(2)	(1)

7. DIRECTORS' REMUNERATION

No remuneration in whatsoever nature has been paid or is payable to the directors for the year (2010: Nil).

8. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the reporting date of statement of financial position are as follows:

<u>Financial assets</u>	Loans and receivables	
	2011	2010
	HK\$	HK\$
Membership fee receivables	320	320
Other receivables	-	500
Cash and bank balances	190,891	173,454
	<b>191,211</b>	<b>174,274</b>



**The Association of Christian Accountants Limited**

基督徒會計師團契有限公司

*(Limited by Guarantee)*

**Notes to the Financial Statements**

For the year ended 31 December 2011

---

**9. FINANCIAL RISK MANAGEMENT**

The Association is exposed to various kinds of risk in its operation and financial instruments. The Association's risk management objectives and policies mainly focus on minimizing potential adverse effects of these risk on the Association by closing monitoring the individual exposure as follows:

**Credit risk**

The Association is not subject to significant exposure to credit risks. Bank balances are held in a major financial institution located in Hong Kong which the directors believe is of high credit quality. At the end of the reporting period, there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

**Foreign currency risk**

The Association has no significant foreign currency risk because its activities are principally conducted in Hong Kong and most of the transactions are denominated in the Association's functional currency.

**Capital management**

The Association manages its fund to ensure that it will be able to continue as a going concern while maintaining the surplus at a level adequate for the continuation of its operation and benefits to stakeholders.

The financial structure of the Association consists of cash and bank balances and accumulated funds attributable to members and stakeholders of the Association, comprising accumulated surplus.

The key management personnel of the Association actively and regularly reviews and manages its funds to maintain its operation, taking into consideration the future funds requirements of the Association and finds efficiency, prevailing and projected recoverability of receivables, projected operating cash flows and projected expenditures. No changes were made in the objectives, policies or processes during the years ended 31 December 2011 and 2010.

The Association does not subject to externally imposed capital requirements.

**10. COMPARATIVE FIGURES**

The comparative figures disclosed in statement of cash flows have been adjusted to conform with the current year's presentation.