

VISION FIRST LIMITED

REPORTS AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2012

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CHENG & CHENG LIMITED

CERTIFIED PUBLIC ACCOUNTANTS 鄭鄭會計師事務所有限公司

VISION FIRST LIMITED

REPORT OF THE DIRECTORS

The directors have pleasure in submitting their report together with the audited financial statements of Vision First Limited (the "Association") for the year ended 31 August 2012.

PRINCIPAL ACTIVITIES

The principal activities of the Association are to relieve poverty and promote the welfare and education of Asylum-Seekers and Refugees, irrespecting of religion, race and nationality by providing for their development through legal, medical, conselling and educational services. There are no significant changes compared with the activities conducted in previous year.

FINANCIAL STATEMENTS

The surplus of the Association for the year ended 31 August 2012 and the state of the Association's affairs as at that date are exhibited in the annexed audited financial statements.

FUND

Details of movements in fund during the year are set out in the statement of changes in fund on page 7.

DIVIDENDS

In accordance with clause 5 of the Association's memorandum of Association, the Association is prohibited from declaring any dividend.

SHARE CAPITAL

The Association is limited by guarantee and does not have share capital. The liability of each of its members is limited to the extent of an amount not exceeding HK\$100.

DIRECTORS

The following directors held office during the financial year and up to the date of this report:-

BEATSON Brooke	(Resigned on 9 April 2013)
FLANDERS Belinda Paige	
DONALD David Charles	(Resigned on 27 February 2013)
TSANG Pak Ho	
BEATSON Cosmo	
VECCHIO Francesco	
PARKINSON Andrew Ian	(Resigned on 27 February 2013)
HUYNH Dung Thanh	(Resigned on 9 April 2013)

The following directors were appointed after the end of the financial year:-

FAN Ling	(Appointed on 27 February 2013)
TIBBO Robbert John Hugh	(Appointed on 27 February 2013)
SINGARAM Annabelle Kavitha	(Appointed on 9 April 2013)

In accordance with articles 38 and 39 of the Association's Articles of Association, all existing directors shall retire at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

VISION FIRST LIMITED

REPORT OF THE DIRECTORS (Continued)

DIRECTORS' INTERESTS

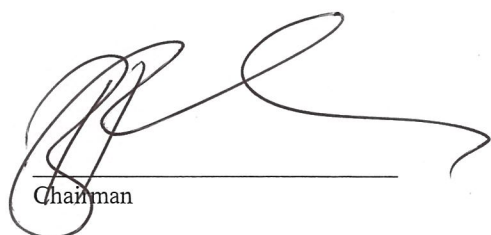
No contracts of significance to which the Association was a party and in which a director had a material interest subsisted at the end of the year or at any time during the year.

At no time during the year was the Association a party to any arrangement to enable the directors to obtain benefits or remunerations.

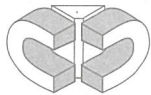
AUDITOR

The financial statements for the year were audited by Messrs. Cheng & Cheng Limited who retire and, being eligible, offer themselves for re-appointment.

On behalf of the Board


Chairman

Hong Kong, 23 April 2013



CHENG & CHENG LIMITED

CERTIFIED PUBLIC ACCOUNTANTS 鄭鄭會計師事務所有限公司

Andrew H. K. Cheng – FCCA, FTIHK, CTA (HK), FCPA (Practising)

鄭康祺 – 香港執業資深會計師

Steven W. S. Li – FCCA, FTIHK, CTA (HK), FCPA (Practising)

李永森 – 香港執業資深會計師

Francis H. C. Cheng – BBA, FCCA, FTIHK, CTA (HK), CPA (Practising)

鄭康祥 – 香港執業會計師

Ivan K. F. Yu – MBA, SQ (Insolvency), FTIHK, CTA (HK), CPA (Practising)

余廣發 – 香港執業會計師

Alice Y. Y. Li – B. Bus., ATIHK, CTA (HK), CPA (Aust.), CPA (Practising)

李遠瑜 – 香港執業會計師

Gabriel S. C. Chan – BA, MA, FCCA, ATIHK, CTA (HK), CPA (Practising)

陳碩智 – 香港執業會計師

Tong Yat Hung – FCCA, CPA (Practising)

湯日烘 – 香港執業會計師

David C. Y. Yeung – BBA, ATIHK, CTA (HK), CPA (Practising)

楊振宇 – 香港執業會計師

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF VISION FIRST LIMITED

(Incorporated in Hong Kong limited by guarantee and not having a share capital)

We have audited the financial statements of Vision First Limited (the "Association") set out on pages 5 to 11, which comprise the statement of financial position as at 31 August 2012, and the statements of income and expenditure, changes in fund and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Directors' responsibilities for the financial statements

The directors 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 ("HKFRS 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 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. 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 as to 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.



INDEPENDENT AUDITOR'S REPORT (Continued)

**TO THE MEMBERS OF
VISION FIRST LIMITED**

(Incorporated in Hong Kong 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 August 2012 and of its surplus and cash flows for the year then ended in accordance with the HKFRS for Private Entities and have been properly prepared in accordance with the Hong Kong Companies Ordinance.



Cheng & Cheng Limited
Certified Public Accountants (Practising)

Hong Kong, 23 April 2013

Y.Y. Li, Alice
Practising Certificate number P03373

VISION FIRST LIMITED

STATEMENT OF FINANCIAL POSITION

As at 31 August 2012

	2012 HK\$	2011 HK\$
Current assets		
Sundry debtors and receivables	14,400	14,400
Cash at bank and on hand	<u>392,665</u>	<u>302,826</u>
	407,065	317,226
Current liabilities		
Sundry creditors and payables	<u>370</u>	<u>370</u>
Net current assets	<u>406,695</u>	<u>316,856</u>
Fund	<u>406,695</u>	<u>316,856</u>

Signed on behalf of the Board of Directors by:-


Director


Director

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

VISION FIRST LIMITED

STATEMENT OF INCOME AND EXPENDITURE

For the year ended 31 August 2012

	Note	2012 HK\$	2011 HK\$
Income	4	1,447,529	924,697
Subsidies to Asylum-Seekers and Refugees		(1,096,003)	(795,452)
Operating cost (*)		(261,680)	(27,522)
Finance costs	5	<u>(7)</u>	<u>(2)</u>
Surplus before taxation		89,839	101,721
Taxation	6	<u>-</u>	<u>-</u>
Net surplus for the year		<u><u>89,839</u></u>	<u><u>101,721</u></u>

(*) No administrative fee and rent were incurred for the Association

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

VISION FIRST LIMITED

STATEMENT OF CHANGES IN FUND

For the year ended 31 August 2012

	Retained surplus HK\$
Balance at 1 September 2010	215,135
Changes in fund:	
Net surplus for the year	<u>101,721</u>
Balance at 31 August 2011	<u>316,856</u>
Balance at 1 September 2011	316,856
Changes in fund:	
Net surplus for the year	<u>89,839</u>
Balance at 31 August 2012	<u>406,695</u>

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

VISION FIRST LIMITED

STATEMENT OF CASH FLOWS

For the year ended 31 August 2012

	Note	2012 HK\$	2011 HK\$
Operating activities			
Surplus before taxation		89,839	101,721
Adjustments for:			
Interest on bank overdrafts		<u>7</u>	<u>2</u>
Operating surplus before working capital changes		89,846	101,723
Increase in sundry debtors and receivables		-	(14,400)
Decrease in sundry creditors and payables		<u>-</u>	<u>(5,750)</u>
Cash generated from operations		89,846	81,573
Interest paid		<u>(7)</u>	<u>(2)</u>
Net cash from operating activities		89,839	81,571
Net cash from investing activities		-	-
Net cash from financing activities		<u>-</u>	<u>-</u>
Increase in cash and cash equivalents		89,839	81,571
Cash and cash equivalents at beginning of the year		<u>302,826</u>	<u>221,255</u>
Cash and cash equivalents at end of the year	7	<u><u>392,665</u></u>	<u><u>302,826</u></u>

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

VISION FIRST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2012

1. CORPORATE INFORMATION

Vision First Limited is an Association limited by guarantee and incorporated and domiciled in Hong Kong. The address of its registered office and principal place of operation is 5/F., 102 First Street, Sai Ying Pun, Hong Kong.

The principal activities of the Association are to relieve poverty and promote the welfare and education of Asylum-Seekers and Refugees, irrespect of religion, race and nationality by providing for their development through legal, medical, conselling and educational services.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with the Hong Kong Financial Reporting Standard for Private Entities ("HKFRS for Private Entities") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the requirements of the Hong Kong Companies Ordinance. The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) BASIS OF PREPARATION

These financial statements have been prepared under the historical cost convention. These financial statements are presented in Hong Kong Dollars and all values are rounded to the nearest dollar unless otherwise stated.

The preparation of financial statements in conformity with the HKFRS for Private Entities requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Association's accounting policies.

(b) FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognized on the Association's statement of financial position when the Association becomes a party to the contractual provisions of the instrument.

Receivables

Receivables are recognized initially at the transaction price. They are subsequently measured at amortized cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Association will not be able to collect all amounts due according to the original terms of the receivables.

Payables

Payables are recognized initially at the transaction price and subsequently measured at amortized cost using the effective interest method.

(c) 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 risk of changes in value, having been within three months of maturity at acquisition.

VISION FIRST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 August 2012

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) EMPLOYEE BENEFITS

Pension obligations

The Association has defined contribution plans. A defined contribution plan is a pension plan under which the Association pays fixed contributions into a separate entity and has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods

For defined contribution plans, the Association pays contributions to publicly or privately administered pension insurance plans on a mandatory or contractual basis. The contributions are recognized as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognized as an asset.

(e) INCOME TAX

The Association is a charitable institution and is exempted from all taxes under Section 88 of the Inland Revenue Ordinance (Cap. 112).

(f) INCOME RECOGNITION

Income is measured at the fair value of the consideration received or receivable.

Income is recognized in the statement of income and expenditure provided it is probable that the economic benefits will flow to the Association and the income and costs, if applicable, can be measured reliably, as follows:

Donation income is recognized whenever it is received or receivable.

(g) FUNCTIONAL AND PRESENTATION CURRENCY

Items included in the financial statements of the Association are measured using the currency of the primary economic environment in which the Association operates ("the functional currency"). The financial statements are presented in Hong Kong Dollars ("HK\$"), which is the functional and presentation currency.

3. FUND

Apart from retained surplus, there were no other fund. Details of movements in fund during the year are referred to in the statement of changes in fund.

VISION FIRST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 August 2012

4. INCOME

The Association is principally engaged in relieving poverty and promoting the welfare and education of Asylum-Seekers and Refugees, irrespecting of religion, race and nationality by providing for their development through legal, medical, conselling and educational services. Income recognized during the period is as follows:-

	2012 HK\$	2011 HK\$
Donation income	1,198,241	907,362
Fundraising income	249,288	17,335
	<u>1,447,529</u>	<u>924,697</u>

5. FINANCE COSTS

	2012 HK\$	2011 HK\$
Interest on bank overdrafts	<u>7</u>	<u>2</u>

6. TAXATION

The Association is exempted from Hong Kong Profits Tax under Section 88 of the Inland Revenue Ordinance (Cap.112).

No provision for deferred taxation has been made as there should be no future tax consequences.

7. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of balances with banks. Cash and cash equivalents included in the statement of cash flows comprise the following items in the statement of financial position:-

	2012 HK\$	2011 HK\$
Cash at bank and on hand	<u>392,665</u>	<u>302,826</u>
Cash and cash equivalents in the statement of cash flows	<u>392,665</u>	<u>302,826</u>

8. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorized for issue by the Board of Directors on 23 April 2013.

(For Management purposes only)

Appendix A

VISION FIRST LIMITED

DETAILED INCOME STATEMENT

For the year ended 31 August 2012

	HK\$	2012 HK\$	2011 HK\$
Income			
Donation income	1,198,241		907,362
Fundraising income	<u>249,288</u>		<u>17,335</u>
		1,447,529	924,697
Deduct: Subsidies to Asylum-Seekers and Refugees			
Donations Program	16,599	-	-
Education Program	31,144	552	-
Family Support and Sponsorship	89,400	-	-
Financial Aid	686,464	658,942	-
Kashmir Food Program	73,715	53,030	-
Medical Program	11,109	1,280	-
Mahvash Program	39,117	-	-
Members goods and appliances	31,814	-	-
Members Legal Fees	15,000	-	-
Members Rent Assistance	46,549	1,750	-
Members Utility Bills	11,425	17,484	-
Other Programs	26,656	62,414	-
Sports Program	<u>17,011</u>	<u>-</u>	<u>-</u>
		1,096,003	795,452
		351,526	129,245
Deduct: Operating costs			
Administrative fee (*)	-	-	-
Advertising	-	1,260	-
Bank charges	2,083	350	-
Electricity, tele-communication and water	17,402	5,563	-
Formation	6,120	-	-
Fundraising expenses	9,476	-	-
Postage, printing and stationery	38,883	5,429	-
Rent (*)	-	-	-
Repairs and maintenance	11,795	1,660	-
Salaries and allowances	66,000	-	-
Shelter cost	8,337	-	-
Sundries	92,584	4,260	-
Transportation, packing and storage	<u>9,000</u>	<u>9,000</u>	<u>-</u>
		261,680	27,522
		89,846	101,723
Deduct: Finance costs			
Interest on bank overdrafts	<u>7</u>	<u>2</u>	<u>-</u>
Net surplus for the year	<u>89,839</u>	<u>101,721</u>	<u>101,721</u>

(*) No administrative fee and rent were incurred for the Association.