

VISION FIRST LIMITED

**REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 AUGUST 2015**

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VISION FIRST LIMITED

REPORT OF THE DIRECTORS

The directors submit herewith their report together with the audited financial statements of Vision First Limited (the "Company") for the year ended 31 August 2015.

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 result of the Association for the year ended 31 August 2015 and the Association's financial position 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 directors during the year and up to the date of this report were:-

BEATSON Cosmo	
SUTHERLAND Mark Richard Charlton	
TIBBO Robert John Hugh	
TSANG Pak Ho	
VECCHIO Francesco	
FAN Ning	(Resigned on 1 September 2014)
FLANDERS Belinda Paige	(Resigned on 1 September 2014)
SINGARAM Annabelle Kavitha	(Resigned on 1 September 2014)
BATRA Parul	(Appointed on 1 September 2014 and resigned on 15 February 2016)

In accordance with the 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)

REPORTING EXEMPTION

Since the Association falls within reporting exemption for the financial year in accordance with the Companies Ordinance, it has been exempted from certain disclosures in the report of the directors and in the financial statements.

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

BEATSON Cosmo
Chairman

Hong Kong, 16 February 2016

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF VISION FIRST LIMITED

(Incorporated in Hong Kong limited 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 12, which comprise the statement of financial position as at 31 August 2015, and the statement of comprehensive income, statement of changes in fund and 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 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 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.

INDEPENDENT AUDITOR'S REPORT (Continued)

TO THE MEMBERS OF VISION FIRST LIMITED

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

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Association as at 31 August 2015 and of its financial performance and cash flows for the year then ended in accordance with the HKFRS for Private Entities and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

Emphasis of matter

Without qualifying our opinion, we draw attention to note 2(b) to the financial statements which indicates that the Association incurred a net deficit of HK\$172,116 for the year ended 31 August 2015 and, as of that date, the Association's current liabilities exceeded its current assets by HK\$68,898. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the Association's ability to continue as a going concern.

Cheng & Cheng Limited
Certified Public Accountants

Hong Kong, 16 February 2016

Cheng Hong Kei
Practising Certificate number P01806

VISION FIRST LIMITED

STATEMENT OF FINANCIAL POSITION

As at 31 August 2015

	2015 HK\$	2014 HK\$
Current assets		
Sundry debtors and receivables	400	42,400
Cash at bank and on hand	246,433	66,188
	<u>246,833</u>	<u>108,588</u>
Current liabilities		
Sundry creditors and payables	315,731	5,370
	<u>315,731</u>	<u>5,370</u>
Net current (liabilities)/assets	<u>(68,898)</u>	<u>103,218</u>
Fund	<u>(68,898)</u>	<u>103,218</u>

Signed on behalf of the Board of Directors by:-

VECCHIO Francesco
Director

BEATSON Cosmo
Director

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

VISION FIRST LIMITED

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 August 2015

	HK\$	2015 HK\$	HK\$	2014 HK\$
Income				
Donation income	954,921		1,334,764	
Fundraising income	-		83,576	
		954,921		1,418,340
Deduct: Subsidies to asylum-seekers and refugees				
Advocacy	-		47,244	
Education Program	-		64,294	
Family support and sponsorship	-		29,850	
Financial aid	827,035		982,743	
Mahvash program	-		158,749	
Members rent assistance	-		22,000	
Members rental commission	-		6,500	
Members utility bills	-		14,000	
Other programs	-		4,431	
Recreational and training program	-		101,449	
		827,035		1,431,260
		127,886		(12,920)
Add: Other revenue				
Sundry income		35,864		-
		163,750		(12,920)
Deduct: Operating costs				
Advertising	-		2,800	
Auditor's remuneration	5,500		5,000	
Bank charges	2,630		1,880	
Compensation	115,000		85,000	
Electricity, tele-communication and water	35,147		27,425	
Fundraising expenses	-		13,900	
Insurance	-		1,443	
Legal and professional fees	111,100		87,000	
Postage, printing and stationery	5,620		10,342	
Provident fund under defined contribution plans	2,580		16,305	
Repairs and maintenance	-		490	
Salaries and allowances	49,348		331,980	
Sundries	8,941		18,099	
		335,866		601,664
Deficit for the year before taxation		<u>(172,116)</u>		<u>(614,584)</u>

There was no other comprehensive income or loss during the year.

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 2015

	Retained surplus/ (accumulated deficit) HK\$
Balance at 1 September 2013	717,802
Deficit for the year	<u>(614,584)</u>
Balance at 31 August 2014 and 1 September 2014	103,218
Deficit for the year	<u>(172,116)</u>
Balance at 31 August 2015	<u><u>(68,898)</u></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 2015

	Note	2015 HK\$	2014 HK\$
Operating activities			
Deficit before taxation		(172,116)	(614,584)
Decrease/(increase) in sundry debtors and receivables		42,000	(28,000)
Increase in sundry creditors and payables		310,361	-
Net cash from/(used in) operating activities		180,245	(642,584)
Cash and cash equivalents at beginning of the year		66,188	708,772
Cash and cash equivalents at end of the year	6	246,433	66,188

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 2015

1. CORPORATE INFORMATION

Vision First Limited is a Association limited by guarantee and incorporated and domiciled in Hong Kong. The address of its registered office and principal place of business 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, irrespecting 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) GOING CONCERN CONVENTION

The financial statements have been prepared on a going concern basis even though the Association incurred a net deficit of HK\$172,116 for the year ended 31 August 2015 and, as of that date, the Association's current liabilities exceeded its current assets by HK\$68,898. The directors are of the opinion that this basis is appropriate because the management have agreed to provide continuing financial supports, if necessary, to the Association to meet its obligations as and when they fall due. Accordingly, it is not necessary to include any adjustments that would be required should the Association fail to continue as a going concern.

VISION FIRST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 August 2015

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) 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. The following financial instruments are classified according to the management's intention on acquisition:-

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 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.

(d) 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.

(e) EMPLOYEE BENEFITS

Pension obligations

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.

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.

(f) INCOME TAX

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

VISION FIRST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 August 2015

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) INCOME RECOGNITION

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

Income is recognized in surplus or deficit provided it is probable that the economic benefits will flow to the Association and the revenue and costs, if applicable, can be measured reliably, as follows:

Donation income is recognized whenever it is received or receivable.

Any other income not mentioned above is recognized whenever it is received or receivable.

(h) 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. BENEFITS AND INTERESTS OF DIRECTORS

During the year, no benefits and interests were involved in respect of any directors (2014: Nil).

4. FUND

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

5. 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.

6. CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the statement of cash flows comprise the following items in the statement of financial position:-

	2015 HK\$	2014 HK\$
Cash at bank and on hand	246,433	66,188

VISION FIRST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 August 2015

7. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorized for issue by the Board of Directors on 16 February 2016.