

POST CRISIS COUNSELING NETWORK LIMITED

REPORTS AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

COUNTAUDIT

算數會計師事務所

Certified Public Accountants (Practising)

HONG KONG

POST CRISIS COUNSELING NETWORK LIMITED

REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

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POST CRISIS COUNSELING NETWORK LIMITED

REPORT OF THE DIRECTORS

The directors presenting their report and the audited financial statements of Post Crisis Counseling Network Limited (the "Association") for the year ended 31 December 2021.

PRINCIPAL ACTIVITY

The Association is incorporated and domiciled in Hong Kong and has its registered office and principal place of business at Room 730, Metro Centre II, 21 Lam Hing Street, Kowloon Bay, Hong Kong.

The principal activities of the Association is provision of counselling services in Hong Kong.

THE STATE OF THE ASSOCIATION'S AFFAIRS AND APPROPRIATIONS

The surplus of the Association for the year ended 31 December 2021 and the state of the Association's affairs as at that day are set out in the Association's financial statements on pages 6 to 16.

LIABILITY OF MEMBERS

The Association is a company limited by guarantee and does not have a share capital. The liability of individual member is limited to HK\$100.

GENERAL FUND

Details of general fund of the Association are set out in the statement of changes in general fund.

DIRECTORS

The names of person who were the directors of the Company during the financial year are as follows:-

TO Wing Ching Timothy
CHEUNG Siu Ling
CHAN Yiu Kwan

In accordance with Article 45(a) and 46(b), the Company's Articles of Association, all directors retire from office and, being eligible, offer themselves for re-election.

The Association did not enter into any contract, other than the contracts of service with the directors or any person engaged in the full-time employment of the Association, whereby any individual, firm or body corporate undertakes the management and administration of the whole, or any substantial part of any business of the Association.

CHARITABLE DONATIONS

During the year, the Association make charitable donations amount to Nil (2020: HK\$189,752).

POST CRISIS COUNSELING NETWORK LIMITED

REPORT OF THE DIRECTORS

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

No contract of significance 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.

BUSINESS REVIEW

The Association falls within reporting exemption for the financial year. Accordingly, the Association is exempted from preparing a business review.


EQUITY-LINKED ARRANGEMENTS

During the financial year, the Association did not enter into any equity-linked agreements.

AUDITORS

The financial statements have been audited by Messrs. CountAudit, Certified Public Accountants (Practising), who retire and, being eligible, offer themselves for re-appointment.

On behalf of the Board



TO Wing Ching Timothy
Chairman

Hong Kong, 30 October 2023

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF
POST CRISIS COUNSELING NETWORK LIMITED

(incorporated in Hong Kong with limited liability by guarantee)

Opinion

We have audited the financial statements of Post Crisis Counseling Network Limited (the "Association") set out on pages 6 to 16, which comprise the statement of financial position as at 31 December 2021, and the statement of comprehensive income, statement of changes in general fund and statement of cash flows for the year ended 31 December 2021, 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 Association as at 31 December 2021, and of its financial performance and cash flows for the year ended 31 December 2021 in accordance with the Small and Medium-sized Entity Financial Reporting Standard ("SME-FRS") 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 ("HKSA") issued by the Hong Kong Institute of Certified Public Accountants ("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 Association 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.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF
POST CRISIS COUNSELING NETWORK LIMITED

(incorporated in Hong Kong with limited liability by guarantee)

Other Information

The directors are responsible for the other information. The other information comprises the information included in the report of the directors, 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.

Responsibilities of the 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 the SME-FRS 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 misstatement, whether due to fraud or error.

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



Certified Public Accountants (Practising)

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INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF POST CRISIS COUNSELING NETWORK LIMITED

(incorporated in Hong Kong with limited liability by guarantee)

Auditors' Responsibilities for the Audit of the Financial Statements

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 HKSAs 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.

A further description of our Responsibilities for the Audit of the Financial Statements is located at the HKICPA's website at: <http://www.hkicpa.org.hk/en/standards-and-regulations/standards/auditing-assurance/auditre/>.

This description forms part of our auditors' report.

CountAudit

Certified Public Accountants (Practising)

Hong Kong, 30 October 2023

Ng Yan Chak

Practising Certificate Number: P07464

POST CRISIS COUNSELING NETWORK LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 HK\$	2020 HK\$
INCOME			
Counseling income		165,516	148,320
Course fee		71,340	86,420
Donation income		510,760	569,464
Hong Kong Blind Orchestra		25,355	-
Income from Heal Café's operation		49,201	-
Membership income		36,729	14,890
Sponsorship income		103,333	-
Others		28,560	34,581
Tour fee income		-	8,650
	3	<u>990,794</u>	<u>862,325</u>
Less: Costs of income			
Activity expenses		-	(9,725)
Hong Kong Blind Orchestra		-	(189,752)
Uniform		-	(920)
Purchases of materials		<u>(90,474)</u>	<u>-</u>
		<u>(90,474)</u>	<u>(200,397)</u>
Gross income		900,320	661,928
Other income	3	2,438	2
Less: Expenditure	5	<u>(703,678)</u>	<u>(508,027)</u>
SURPLUS FOR THE YEAR	4	<u><u>199,080</u></u>	<u><u>153,903</u></u>

The notes on pages 10 to 16 from part of these financial statements.

POST CRISIS COUNSELING NETWORK LIMITED

STATEMENT OF CHANGES IN GENERAL FUND
FOR THE YEAR ENDED 31 DECEMBER 2021

	HK\$
Balance at 31 December 2019	118,910
Surplus for the year	<u>153,903</u>
Balance at 31 December 2020	272,813
Surplus for the year	<u>199,080</u>
Balance at 31 December 2021	<u><u>471,893</u></u>

The notes on pages 10 to 16 from part of these financial statements.

POST CRISIS COUNSELING NETWORK LIMITED

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

	Note	2021 HK\$	2020 HK\$
Non-current assets			
Plant and equipment	8	<u>107,599</u>	<u>113,851</u>
Current assets			
Deposits and prepayment		32,300	32,300
Other receivable		103,333	-
Bank balances	9	<u>328,803</u>	<u>270,561</u>
		<u>464,436</u>	<u>302,861</u>
Current liabilities			
Accruals		(65,431)	(64,931)
Advances from members	10	<u>(34,711)</u>	<u>(78,968)</u>
		<u>(100,142)</u>	<u>(143,899)</u>
Net Current Assets		<u>364,294</u>	<u>158,962</u>
NET ASSETS		<u>471,893</u>	<u>272,813</u>
Represented by:			
General fund		<u>471,893</u>	<u>272,813</u>

Approved by the board of Directors on 30 October 2023 and signed on its behalf by:



TO Wing Ching Timothy
(Director)



CHEUNG Siu Ling
(Director)

The notes on pages 10 to 16 from part of these financial statements.

POST CRISIS COUNSELING NETWORK LIMITED

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 HK\$	2020 HK\$
Operating activities			
Surplus for the year		199,080	153,903
Adjustment for:			
- Depreciation		<u>6,252</u>	<u>31,927</u>
Operating surplus before changes in working capital		<u>205,332</u>	<u>185,830</u>
Increase in other receivable		(103,333)	-
Increase/(Decrease) in accruals		500	(18,305)
Decrease in advances from members		<u>(44,257)</u>	<u>(36,131)</u>
Net cash generated from operating activities		<u>58,242</u>	<u>131,394</u>
Cash flow from investing activities			
Purchases of plant and equipment		<u>-</u>	<u>(128,374)</u>
Net cash used in investing activities		<u>-</u>	<u>(128,374)</u>
Net increase in bank balances		58,242	3,020
Bank balances at beginning of year		<u>270,561</u>	<u>267,541</u>
Bank balances at end of year	9	<u><u>328,803</u></u>	<u><u>270,561</u></u>

The notes on pages 10 to 16 from part of these financial statements.

POST CRISIS COUNSELING NETWORK LIMITED

ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1 GENERAL INFORMATION

Post Crisis Counseling Network Limited (the "Institution") is a limited by guarantee Institution incorporated in Hong Kong. The Institution's registered office is located at Room 730, Metro Centre II, 21 Lam Hing Street, Kowloon Bay, Hong Kong.

The principal activities of the Association is provision of counselling services in Hong Kong.

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES

These financial statements have been prepared in accordance with the SME-FRS issued by the HKICPA and the requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention.

These financial statements have been prepared on a going concern basis, the validity of which depends upon the financial support of the members, at a level sufficient to finance the working capital requirements of the Association. The members have agreed to provide adequate funds for the Association to meet its liabilities as they fall due. The directors are therefore of the opinion that it is appropriate to prepare the financial statements on a going concern basis. Should the Association be unable to continue as a going concern, adjustment would have to be made the financial statements to adjust the value of the Association's assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets as current assets and liabilities and liabilities respectively.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less.

Revenue recognition

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

- (i) Donation income, course income and tour fee income are recognized when the right to receive payments is established; and
- (ii) Interest income is recognised on a time proportion basis taking into account the principal outstanding and the interest applicable.

POST CRISIS COUNSELING NETWORK LIMITED

**ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

Foreign currency translation (continued)

(a) Functional and presentation currency

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

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year ended exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in profit or loss within "finance costs". All other foreign exchange gains and losses are presented in profit or loss within "income" or "expenditure".

Other receivables

Other receivables are stated at estimated realisable value after each debt has been considered individually. Where the payment of a debt becomes doubtful a provision is made and charged to statement of profit or loss and other comprehensive income.

Plant and equipment

Plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

The depreciable amount of an item of property, plant and equipment is allocated on a systematic basis over its estimated useful life using the straight-line method. The principal annual rates used for depreciation are as follows:

Leasehold improvements	20%, or over the lease terms
Office equipment	20 %

POST CRISIS COUNSELING NETWORK LIMITED

**ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

Impairment of assets

An assessment is made at the end of each reporting financial year to determine whether there is any indication of impairment or reversal of previous impairment, including terms of property, plant and equipment and intangible assets. In the event that an asset's carrying amount exceeds its recoverable amount, the carrying amount is reduced to recoverable amount and an impairment loss is recognised in the income statement. A previously recognised impairment loss is reversed only if there has been a change in estimates used to determine the recoverable amount, however not to an amount higher than the carrying amount that would have been determined (net of amortisation or depreciation), had no impairment losses been recognised for the asset in prior years.

Related parties

A related party is a person or entity that is related to the Company.

- (a) A person or a close member of that person's family is related to a reporting entity if that person:
- (i) has control or joint control over the reporting entity;
 - (ii) has significant influence over the reporting entity; or
 - (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.
- (b) An entity is related to a reporting entity if any of the following conditions applies:
- (i) The entity and the reporting entity are members of the same group (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 a group 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 reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
 - (vi) The
 - (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).
 - (viii) The entity, or any member of a group of which it is a part, provides key management personnel service to the reporting entity or to the parent of the reporting entity.

POST CRISIS COUNSELING NETWORK LIMITED

**ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

3 INCOME AND OTHER INCOME

	2021	2020
	HK\$	HK\$
Income		
Counseling income	165,516	148,320
Course fee	71,340	86,420
Donation income	510,760	569,464
Hong Kong Blind Orchestra	25,355	-
Income from Heal Café's operation	49,201	-
Membership income	36,729	14,890
Sponsorship income	103,333	-
Others	28,560	34,581
Tour fee income	-	8,650
	<u>990,794</u>	<u>862,325</u>
Other income		
Bank interest income	4	2
Sundry income	2,434	-
	<u>2,438</u>	<u>2</u>

4 SURPLUS FOR THE YEAR

The following item has been recognized as expenses in determining surplus for the year:

	2021	2020
	HK\$	HK\$
Auditor's remuneration	4,500	8,000
Depreciation	6,252	31,927
Exchange loss, net	-	19
Operating lease charge in respect of land and building	175,905	60,663
Key management personnel's remuneration (including directors' remuneration, note 6)	-	-
Other staff costs	<u>234,996</u>	<u>160,184</u>

POST CRISIS COUNSELING NETWORK LIMITED

**ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

5 EXPENDITURE

	2021	2020
	HK\$	HK\$
Accounting fee	(4,000)	-
Advertising expenses	(6,169)	(4,232)
Auditors' remuneration	(4,500)	(8,000)
Bank charges	(521)	(16,117)
Bank interest	-	(28)
Business registration fee	-	(250)
Cleaning expenses	(6,207)	(4,054)
Company secretary fee	(2,250)	(8,458)
Computer accessories and software	(21,511)	(10,662)
Depreciation	(6,252)	(31,927)
Electricity and water	(14,359)	(13,387)
Entertainment and messing	-	(17,912)
Exchange losses, net	-	(19)
Heal Café's co-operation expenses	(71,617)	-
Insurance	(12,570)	(19,026)
Legal and professional fee	(4,000)	(8,000)
Manadatory provident fund	(8,230)	(2,730)
Membership fee	-	(1,031)
Office expenses	(54,637)	(13,367)
Office supplies	(35,657)	(49,411)
Parking fee	(23,282)	-
Postage and courier	(130)	(6,070)
Printing and stationery	(7,222)	(7,267)
Property agency commission	-	(6,443)
Recuritment	-	(4,115)
Rent and rates	(175,905)	(60,663)
Salaries and allowances	(226,766)	(157,454)
Sundries	(2,608)	(17,092)
Telephone, internet and fax	(9,518)	(13,970)
Trademark expenses	(4,500)	-
Transportation	(1,267)	(4,142)
	<u>(703,678)</u>	<u>(508,027)</u>

POST CRISIS COUNSELING NETWORK LIMITED

**ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

6 DIRECTORS' REMUNERATION

Directors' remuneration disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance (Cap. 622) and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation is Nil (2020: Nil).

7 INCOME TAX EXPENSE

No provision has been made for Hong Kong Profit Tax (2020: Nil) as the Association is exempted under Section 88 of Inland Revenue Ordinance (2020: Nil).

8 PLANT AND EQUIPMENT

	Office equipment HK\$	Leasehold improvement HK\$	Total HK\$
Cost			
At 31 December 2020 and at 31 December 2021	<u>108,861</u>	<u>536,074</u>	<u>644,935</u>
Accumulated depreciation and impairment losses			
At 31 December 2020	(107,509)	(423,575)	(531,084)
Depreciation for the year	<u>(1,352)</u>	<u>(4,900)</u>	<u>(6,252)</u>
At 31 December 2021	<u>(108,861)</u>	<u>(428,475)</u>	<u>(537,336)</u>
Net carrying amount			
At 31 December 2021	<u>-</u>	<u>107,599</u>	<u>107,599</u>
At 31 December 2020	<u>1,352</u>	<u>112,499</u>	<u>113,851</u>

POST CRISIS COUNSELING NETWORK LIMITED

**ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

9 BANK BALANCES

	2021	2020
	HK\$	HK\$
General bank accounts	<u>328,803</u>	<u>270,561</u>

10 ADVANCES FROM MEMBERS

The amounts are interest-free, unsecured and repayable on demand.

11 COMMITMENTS UNDER OPERATING LEASE

As 31 December 2021, the Institution had future aggregate minimum lease receipts under non-cancellable operating leases in respect of land and building as follows:

	2021	2020
	HK\$	HK\$
Within one year	138,000	138,000
After one year but within five years	<u>195,500</u>	<u>333,500</u>
	<u>333,500</u>	<u>471,500</u>

12 RELATED PARTY DISCLOSURES

	2021	2020
	HK\$	HK\$
Related parties transactions		
<i>Related company</i>		
Heal Café's co-operation expenses paid to		
- Hong Kong EMDR Therapy Centre Limited	<u>71,617</u>	<u>-</u>

Mr. TO Wing Ching Timothy, a director of the Association and the related company.

The co-operation expenses from the Association to the related company is a co-operation fund which mean the related company's Heal Cafe project will hire a coffee barista, buy coffee bean and equipments for PCCN's counseling co-operated project during the year.

