

CODA HONG KONG LIMITED

(“The Association”)

香港聾人子女協會有限公司
(Company limited by guarantee and not
having a share capital)

REPORTS AND FINANCIAL STATEMENTS

For the year ended 31 March 2025



PANG CHAN & CO.
Certified Public Accountants

CODA HONG KONG LIMITED
REPORTS AND FINANCIAL STATEMENTS
For the year ended 31 March 2025

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CODA HONG KONG LIMITED
Report of the Directors

The directors have pleasure in presenting their annual report together with the accompanying audited financial statements of the Association for the year ended 31 March 2025.

PRINCIPAL ACTIVITIES

The principal activities of the Association are taking care of the deaf family and for healthy development of their children on non-profit making basis.

DIRECTORS

The directors who served during the year and at the date of this report were:

CHAN Mei Hung, Red

LAM Tsz Chung

CHAN Chun Yiu

CHAN Kai Yee, Cindy (resigned on 31 May 2024)

In accordance with article 11 of the Association's articles of association, Miss Chan Mei Hung, Red shall retire at the annual general meeting and being eligible, offers herself for re-election.

MANAGEMENT CONTRACTS

At no time during the year were there any management contracts entered into by which a person undertakes the management and/or administration of the whole or any substantial part of any business of the Association.

BUSINESS REVIEW

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

PERMITTED INDEMNITY PROVISIONS

At no time during the year or at the end thereof were there any permitted indemnity provisions in force for the benefit of one or more directors of the Association.

AUDITORS

The financial statements have been audited by Messrs. Pang Chan & Co., Chartered Accountants, Certified Public Accountants, who will retire at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-appointment.

APPROVAL OF DIRECTORS' REPORT

This report was approved by the directors on 30 December, 2025.

On behalf of the board



LAM Tsz Chung (Director)
HONG KONG



PANG CHAN & CO.

Chartered Accountants
Certified Public Accountants

Unit H, 18/F., Legend Tower, 7 Shing Yip Street, Kwun Tong, Kowloon.
Tel: 2854 4122 Fax: 2541 6000 E-mail: pccocpa@yahoo.com.hk

彭陳會計師事務所
英國特許會計師
香港執業會計師
九龍觀塘成業
街七號寧晉中
心十八樓H室

Independent Auditors' Report to the Members of CODA HONG KONG LIMITED (incorporated in Hong Kong with liability limited by guarantee)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

We have audited the financial statements of Coda Hong Kong Limited (the "Association") set out on pages 5 to 10, which comprise the statement of financial position as at 31 March 2025 as well as the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements of the Association are prepared, in all material respects, in accordance with the Small and Medium-sized Entity Financial Reporting Standard ("SME-FRS") 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 ("HKSA") and with reference to PN 900 (Revised) "Audit of Financial Statements Prepared in accordance with the Small and Medium-sized Entity Financial Reporting Standard" issued by the HKICPA. Our responsibilities under those standards are further described in the "Auditors' 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 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.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON

The directors are responsible for the other information. The other information comprises the report of the directors, but does not include the financial statements and our auditors' 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.



PANG CHAN & CO.

Chartered Accountants
Certified Public Accountants

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Independent Auditors' Report to the Members of CODA HONG KONG LIMITED (incorporated in Hong Kong with liability limited by guarantee)

RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

The directors are responsible for the preparation of financial statements 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. Those charged with governance are responsible for overseeing the Association's financial reporting process.

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.

Further descriptions of the auditors' responsibilities for the audit of the financial statements are detailed in the appendix to the auditors' report.

CHAN Yeuk Wai
(Practising Certificate No: P00995)

Pang Chan & Co.

Chartered Accountants

Certified Public Accountants

HONG KONG, 30 December, 2025.



PANG CHAN & CO.

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CODA HONG KONG LIMITED Appendix to the Auditors' Report

As part of an audit in accordance with HKSAs, 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;
- 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 Association'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 in relation to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Association to cease to continue as a going concern.

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.

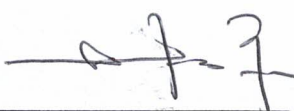
CODA HONG KONG LIMITED
(Company limited by guarantee and not having a share capital)
Statement of Financial Position as at 31 March 2025
(Expressed in Hong Kong Dollars)

| | <u>Note</u> | <u>2025</u> | <u>2024</u> |
|--|-------------|-------------|-------------|
| NON-CURRENT ASSETS | | | |
| Plant and equipment | 4 | 10,281 | 12,769 |
| CURRENT ASSETS | | | |
| Fees receivable | | 4,140 | 12,000 |
| Deposits and prepayments | | 69,674 | 90,047 |
| Cash and bank balances | | 1,503,128 | 2,035,541 |
| | | 1,576,942 | 2,137,588 |
| CURRENT LIABILITIES | | | |
| Accounts payable and accruals | | (142,025) | (86,808) |
| Receipt in advance and deposits received | | (68,750) | (13,641) |
| Amounts due to directors | 8 | (485) | (485) |
| | | (211,260) | (100,934) |
| NET CURRENT ASSETS | | 1,365,682 | 2,036,654 |
| NET ASSETS | | 1,375,963 | 2,049,423 |
| REPRESENTED BY | | | |
| Accumulated surplus | 9 | 1,375,963 | 2,049,423 |

Approved by:



 CHAN Chun Yiu
 (Director)



 LAM Tsz Chung
 (Director)

The accompanying Accounting Policies and Explanatory Notes form an integral part of, and should be read in conjunction with, these financial statements.

CODA HONG KONG LIMITED
(Company limited by guarantee and not having a share capital)

Income Statement
For the year ended 31 March 2025
(Expressed in Hong Kong Dollars)

| | <u>2025</u> | <u>2024</u> |
|--|-------------|-------------|
| INCOME | | |
| Subventions and grants received | 654,032 | 616,469 |
| Activities and services income | 123,997 | 174,927 |
| Membership fee | 4,750 | 2,840 |
| Donations received | 67,960 | 277,677 |
| Bank interest received | 7,115 | 14,064 |
| Other income | 3,079 | - |
| | 860,933 | 1,085,977 |
| LESS: ADMINISTRATIVE AND FINANCIAL EXPENSES | | |
| Activities expenses | 111,926 | 66,948 |
| Audit fee | | |
| Project account | 10,000 | 4,400 |
| Statutory audit | 6,000 | 5,000 |
| Bank charges | 1,889 | 823 |
| Consultancy fee paid | 172,250 | - |
| Consumables | 14,085 | 1,490 |
| Provision for bad debt | - | 3,500 |
| Depreciation | 2,488 | 2,488 |
| Subcontracting fees | 317,898 | 276,173 |
| Insurance | - | 655 |
| Legal and professional fees | - | 3,000 |
| Rent and rates | 256,654 | 238,716 |
| Staff salaries and provident fund contributions | 597,982 | 714,892 |
| Utilities and office expenses | 43,221 | 32,576 |
| | 1,534,393 | 1,350,661 |
| DEFICIT FOR THE YEAR | (673,460) | (264,684) |

CODA HONG KONG LIMITED
(Company limited by guarantee and not having a share capital)
Accounting Policies and Explanatory Notes to the Financial Statements
For the year ended 31 March 2025
(Expressed in Hong Kong Dollars)

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The Association qualifies for the reporting exemption as a small company limited by guarantee under section 359(1)(a) of the Hong Kong Companies Ordinance (Cap.622) and is therefore entitled to prepare and present its financial statements in accordance with the Small and Medium-sized Entity Financial Reporting Standard ('SME-FRS'). These financial statements comply with the SME-FRS issued by the Hong Kong Institute of Certified Public Accountants and have been prepared under the accrual basis of accounting and on the basis that the Association is a going concern.

The measurement base adopted is the historical cost convention. The following are the specific accounting policies that are necessary for a proper understanding of the financial statements:

(a) Revenue recognition

Activities and services income are recognized as revenue when the relevant activities and services are provided. Bank interest is recognized on accrual basis. A grant or subvention received is recognized when there is assurance that the Association has complied with all the conditions attaching to it as stipulated by the grantor. Donation received is recognized upon receipt.

(b) Plant and equipment

Plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. The depreciable amount of an item of plant and equipment is allocated on a systematic basis over its estimated useful life using the straight-line method. No depreciation is provided for the year on leasehold improvements which have been fully depreciated. The annual rate used for depreciation on other asset is as follows:

Office equipment - 20%

(c) Provisions and contingent liabilities

A provision is recognized when the Association has a present legal or constructive obligation arising from past events which will probably result in an outflow of a reasonably estimated economic benefits. An obligation is disclosed as a contingent liability where it is not probable that an outflow of economic benefits will be required, or where the amount cannot be estimated reliably, unless the probability of outflow of economic benefits is remote.

(d) Operating lease rental

All leases other than finance leases are classified as operating leases and the rental payment in relation thereto is charged to the income statement on a straight line basis over the term of lease.

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES (Continued)

(e) Impairment of assets

An assessment is made at the end of each reporting period to determine whether there is any indication of impairment or reversal of previous impairment, including items of property, plant and equipment, intangible assets and long-term investments. 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 the 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.

(f) Employee benefits

Employee benefits are all forms of consideration given by an enterprise in exchange for service rendered by employees. All short-term employee benefits, such as wages, salaries, annual bonuses and paid annual leave, are expensed as they fall due. Post-employment benefits are employee benefits which are payable after termination of employment by the Association.

In order to provide for contingencies associated with post-employment benefits, the Association has joined the mandatory provident fund scheme under the Hong Kong Mandatory Provident Fund Schemes Ordinance which is available to employees who are eligible to participate in the scheme. The Association's contributions to the scheme represent amounts payable at rates specified in accordance with the terms of the scheme and are expensed as incurred. The assets of the scheme are held separately from those of the Association in an independently administered fund.

2. GENERAL AND PRINCIPAL ACTIVITIES

The Association is a company incorporated in Hong Kong with liability limited by guarantee. The principal activities of the Association are taking care of the deaf family and for healthy development of their children on non-profit making basis. The Association's registered office address is Shop 110 & 111, Podium Level, Fu On House, Tai Wo Hau Estate, Kwai Chung, New Territories, Hong Kong.

3. REVENUE AND OTHER INCOME

| | <u>2025</u> | <u>2024</u> |
|---------------------------------|----------------|------------------|
| Subventions and grants received | 654,032 | 616,469 |
| Activities and services income | 123,997 | 174,927 |
| Membership fee | 4,750 | 2,840 |
| Donations received | 67,960 | 277,677 |
| Bank interest received | 7,115 | 14,064 |
| Other income | 3,079 | - |
| | <u>860,933</u> | <u>1,085,977</u> |

4. PLANT AND EQUIPMENT

| | <u>Office equipment</u> | <u>Leasehold improvements</u> | <u>Total</u> |
|----------------------------|-----------------------------|-----------------------------------|--------------|
| Cost | | | |
| At 31.3.2024 and 31.3.2025 | 156,440 | 143,700 | 300,140 |
| Aggregate depreciation | | | |
| At 31.3.2024 | 143,671 | 143,700 | 287,371 |
| Depreciation for the year | 2,488 | - | 2,488 |
| At 31.3.2025 | 146,159 | 143,700 | 289,859 |
| Net book value | | | |
| At 31.3.2025 | 10,281 | - | 10,281 |
| At 31.3.2024 | 12,769 | - | 12,769 |

5. TAXATION

The Association has been exempted as a charitable institution from all Hong Kong taxes under section 88 of the Inland Revenue Ordinance (Cap.112).

6. DIRECTORS' REMUNERATION

The directors did not receive any fees or emoluments in respect of their services to the Association during the year (2024:Nil).

7. OPERATING RESULT

| | <u>2025</u> | <u>2024</u> |
|-----------------------------------|-------------|-------------|
| It is arrived at after charging : | | |
| Staff cost: | | |
| Staff salaries | 569,899 | 679,774 |
| Provident fund contribution | 28,083 | 35,118 |
| Depreciation | 2,488 | 2,488 |
| Audit fee: | | |
| Project account | 10,000 | 4,400 |
| Statutory audit | 6,000 | 5,000 |
| Provision for bad debt | - | 3,500 |
| Operating lease rental | | |
| Land and building | 177,723 | 164,250 |

8. AMOUNTS DUE TO DIRECTORS

The amounts due are unsecured, interest free and have no fixed term of repayment.

9. ACCUMULATED FUND

| | <u>2025</u> | <u>2024</u> |
|------------------------------|------------------|------------------|
| At the beginning of the year | 2,049,423 | 2,314,107 |
| Deficit for the year | <u>(673,460)</u> | <u>(264,684)</u> |
| At the end of the year | <u>1,375,963</u> | <u>2,049,423</u> |

10. OPERATING LEASE COMMITMENT

At 31 March, 2025, the total of the Association's future minimum lease payment under non-cancellable operating lease relating to land and building was as follows:

| | <u>2025</u> | <u>2024</u> |
|--|-------------|-------------|
| Amount payable: | | |
| - within one year | 136,269 | 132,000 |
| - in the second to fifth years inclusive | <u>-</u> | <u>-</u> |

11. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were duly approved and authorised for issue by the board of directors on 30 December, 2025.