

COMMUNICATIONS ASSOCIATION OF HONG KONG LIMITED  
香港通訊業聯會有限公司

CUSTOMER COMPLAINT SETTLEMENT SCHEME AGENT

BALANCE SHEET

AS AT 31ST OCTOBER, 2013

AND

INCOME AND EXPENDITURE STATEMENT

For the period

from

2nd October, 2012

to

31st October, 2013

**T. C. NG & CO. C.P.A. LIMITED**  
**伍子材會計師事務所有限公司**  
CERTIFIED PUBLIC ACCOUNTANTS  
HONG KONG

**T.C. NG & Co CPA Ltd**  
Certified Public Accountants

AUDIT, TAX, BUSINESS ADVISORY & OUTSOURCING

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
COMMUNICATIONS ASSOCIATION OF HONG KONG LIMITED**  
**香港通訊業聯會有限公司**  
**CUSTOMER COMPLIANT SETTLEMENT SCHEME AGENT**  
**FOR THE PERIOD FROM 2ND OCTOBER, 2012 TO 31ST OCTOBER, 2013**

We have audited the financial statements of the Customer Complaint Settlement Scheme Agent of Communications Association of Hong Kong Limited ("the Agent") set out on pages 2 to 5, which comprise the balance sheet as at 31st October, 2013, income and expenditure statement for the period from 2nd October, 2012 to 31st October, 2013, and a summary of significant accounting policies and other explanatory information.

**Responsibility of the Agent's Management for the Financial Statements**

The management of the Agent is responsible for the preparation and fair presentation of the financial statements in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants, and for such internal control as the management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

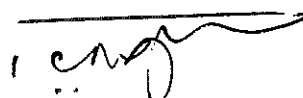
Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and 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 Agent's preparation and fair presentation of the financial statements 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 Agent's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, made by the management of the Agent, 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.

**Opinion**

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Agent as at 31st October, 2013 and of the Agent's income and expenditure statement for the period from 2nd October, 2012 to 31st October, 2013 in accordance with Hong Kong Financial Reporting Standards.



T. C. Ng & Co. C.P.A. Limited  
Certified Public Accountants.

29 JAN 2014

Hong Kong,  
Director in Charge: Chiu Ngar Wing  
Practising Certificate Number: P01085

COMMUNICATIONS ASSOCIATION OF HONG KONG LIMITED  
香港通訊業聯會有限公司  
CUSTOMER COMPLAINT SETTLEMENT SCHEME AGENT

BALANCE SHEET AS AT 31ST OCTOBER, 2013  
(Amounts Expressed in Hong Kong Dollars)

Note

ASSETS

Non-Current Assets

Plant and Equipment	\$110,086.19	3
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Current Assets

Cash at Bank and in Hand	\$ 11,905.40	
Accounts Receivable	400.00	
Rental and Utility Deposits	122,100.00	
Prepayments	<u>863.32</u>	
	\$135,268.72	

Current Liabilities

Receipts in Advance	\$ 500.00	
Accruals	<u>43,929.77</u>	

	<u>44,429.77</u>	
Net Current Assets	<u>\$ 90,838.95</u>	
NET ASSETS	<u>\$200,925.14</u>	

REPRESENTING

Accumulated Surplus

Surplus for the period and Accumulated Surplus c/f	\$200,925.14	
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These financial statements were approved by the Agent Management  
on 29 JAN 2014


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Agent Management

COMMUNICATIONS ASSOCIATION OF HONG KONG LIMITED  
香港通訊業聯會有限公司  
CUSTOMER COMPLAINT SETTLEMENT SCHEME AGENT

INCOME AND EXPENDITURE STATEMENT  
For the period from 2nd October, 2012 to 31st October, 2013  
(Amounts Expressed in Hong Kong Dollars)

Income -			
Interest Income	\$	4.72	
Case Income		5,500.00	
Sponsorship from OFCA		<u>1,544,397.00</u>	\$1,549,901.72
Expenditure -			
Audit Fee	\$	7,000.00	
Bank Charges		1,070.00	
Bank Interest		144.89	
Cleaning Service		9,000.00	
Computer Software		11,500.00	
Electricity		4,212.50	
Insurance		11,666.86	
Legal and Professional fees		8,730.33	
MPF Contribution		23,027.58	
Staff Costs		699,449.49	
Printing and Stationery		9,075.20	
Share of Rental Expenses		430,038.96	
Sundry Expenses		4,850.85	
Telephone		6,486.71	
Training		82,600.00	
Website and Maintenance		5,000.00	
Depreciation on -			
Decoration		22,104.61	
Office Equipment		4,273.71	
Furniture and Fixtures		<u>8,744.89</u>	
Surplus for the period			<u>1,348,976.58</u> <u>\$ 200,925.14</u>

**COMMUNICATIONS ASSOCIATION OF HONG KONG LIMITED**  
**香港通訊業聯會有限公司**  
**CUSTOMER COMPLAINT SETTLEMENT SCHEME AGENT**

**NOTES ON THE FINANCIAL STATEMENTS**  
**(Amounts Expressed in Hong Kong Dollars)**

**1. ACCOUNTING PERIOD**

The period covered by the financial statements is from 2nd October, 2012 to 31st October, 2013.

**2. SIGNIFICANT ACCOUNTING POLICIES**

(a) Basis of preparation -

The financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (HKFRS) and have been prepared under the historical cost convention.

There was no early adoption of any new standards or interpretations that have been issued but are not yet effective. The adoption of such Standards or Interpretations will not result in substantial changes to the Agent's accounting policies.

(b) Plant and Equipment -

Plant and Equipment are carried at cost less any accumulated depreciation and any accumulated impairment losses. The cost of an asset comprises its purchase price, any directly attributable costs of bringing the asset to its present working condition and location for its intended use and the initial estimate of the costs of dismantling, removing the item and restoring the site on which it is located.

Expenditure incurred after the assets have been put into operation is normally charged as expense in the year in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of the asset, the expenditure is capitalised as an additional cost of the asset.

Depreciation is calculated to write off the cost of Plant and Equipment on a straight line basis over their anticipated useful lives as follows :-

Decoration	-	33.33% p.a.
Office Equipment	-	20% p.a.
Furniture and Fixtures	-	20% p.a.

The gain or loss on disposal of Plant and Equipment is the difference between the net disposal proceeds and the carrying amount of the assets and is recognised in the income statement.

(c) Recognition of Revenue -

Revenue is recognised when it is probable that the economic benefits will accrue to the Agent and when the revenue can be measured reliably on the following bases :-

(i) Case Income, when the services are rendered.

(ii) Sponsorship from OFCA, upon receipts of such payment in accordance with the substance of the relevant agreement.

### 3. PLANT AND EQUIPMENT

	<u>Decoration</u>	<u>Office Equipment</u>	<u>Furniture and Fixtures</u>	<u>Total</u>
At 2nd October, 2012 -				
Cost	\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation	-	-	-	-
Net Carrying Amount	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Year ended 31st October, 2013 -				
Opening Net Carrying Amount	\$ -	\$ -	\$ -	\$ -
Additions	72,342.00	25,168.00	47,699.40	145,209.40
Depreciation	( 22,104.61)	( 4,273.71)	( 8,744.89)	( 35,123.21)
Closing Net Carrying Amount	<u>\$50,237.39</u>	<u>\$20,894.29</u>	<u>\$38,954.51</u>	<u>\$110,086.19</u>
At 31st October, 2013 -				
Cost	\$72,342.00	\$25,168.00	\$47,699.40	\$145,209.40
Accumulated Depreciation	( 22,104.61)	( 4,273.71)	( 8,744.89)	( 35,123.21)
Net Carrying Amount	<u>\$50,237.39</u>	<u>\$20,894.29</u>	<u>\$38,954.51</u>	<u>\$110,086.19</u>

### 4. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

At 31st October, 2013, there were -

- (a) no outstanding capital commitments;
- (b) no contingent liabilities other than those incurred in the normal course of business.

### 5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements in respect of the useful lives of Plant and Equipment are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under circumstances.