

**INDEPENDENT AUDITORS' ASSURANCE REPORT ON THE
FINAL ACCOUNTS UNDER
SUSTAINABLE FISHERIES DEVELOPMENT FUND**

INDEPENDENT AUDITORS' ASSURANCE REPORT


To the Directors of HONG KONG FISHERMEN CONSORTIUM SUSTAINABLE
FISHERY DEVELOPMENT COMPANY LIMITED,

Pursuant to the Agreement made between the Government of the Hong Kong Special Administrative Region ("HKSAR") and HONG KONG FISHERMEN CONSORTIUM SUSTAINABLE FISHERY DEVELOPMENT COMPANY LIMITED, and the Sustainable Fisheries Development Fund ("SFDF") - Application Guidelines in respect of the SFDF project under the SFDF dated 28 June, 2019 ("Agreement"), we have undertaken a reasonable assurance engagement on the final accounts of 遠洋漁業發展考察團 (the "Project") (Project number: SFDF – 0037) as set out on pages 4 to 6 which comprise the income and expenditure statement, statement of financial position and cash flow statement for the period from 28 June, 2019 to 27 February, 2020 ("Project Accounts").

Director's Responsibilities

Pursuant to the Agreement, the directors are to comply with the requirements (including the requirements to keep proper books and records and to prepare proper Project Accounts), and all the terms and conditions of SFDF, as specified in the following documents:

- (a) the Agreement in respect of the Project and the appendices thereto (which include the Project proposal);
- (b) the relevant "SFDF - Application Guidelines" referred to in the Agreement; and
- (c) all instructions and correspondences issued by the Director of Agriculture, Fisheries and Conservation ("DAFC") to HONG KONG FISHERMEN CONSORTIUM SUSTAINABLE FISHERY DEVELOPMENT COMPANY LIMITED in respect of the Project.



Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the *Code of Ethics for Professional Accountants* issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies Hong Kong Standard on Quality Control 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements* and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditors' Responsibility

Our responsibility is to express an opinion on the Project Accounts, based on our work performed and to report our opinion.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised), *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* issued by the HKICPA and with reference to the Notes for Auditors of Recipient Organisations issued by the SFDF Secretariat (the "Notes"). We have planned and performed our work to obtain reasonable assurance for giving our opinion below.

Our engagement includes performing the procedures set out in the Notes and examination, on a test basis, of evidence supporting the requirements (including the requirements to keep proper books and records and to prepare proper Project Accounts), and all the terms and conditions of SFDF, as specified in the documents mentioned in the Directors' Responsibilities section have been complied with, in all material respects.

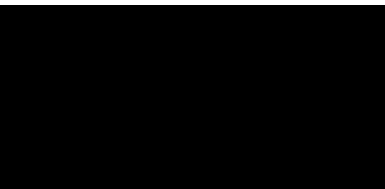
We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

Based on the foregoing, in our opinion, HONG KONG FISHERMEN CONSORTIUM SUSTAINABLE FISHERY DEVELOPMENT COMPANY LIMITED has complied with, in all material respects, the requirements set by DAFC (including the requirements to keep proper books and records and to prepare proper Project Accounts), and all the terms and conditions of SFDF, as specified in the documents mentioned in the Directors' Responsibilities section.

Intended Users and Purpose

This report is intended for filing with the Government of the HKSAR pursuant to the Agreement and is not intended to be, and should not be, distributed to or used by, anyone for any other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of our report.



Certified Public Accountants (Practising)



Practising Certificate No.: [Redacted]

Hong Kong, 27 AUG 2020



**HONG KONG FISHERMEN CONSORTIUM SUSTAINABLE FISHERY DEVELOPMENT
COMPANY LIMITED
SUSTAINABLE FISHERIES DEVELOPMENT FUND
INCOME AND EXPENDITURE STATEMENT
FOR THE PERIOD FROM 28 JUNE, 2019 (PROJECT COMMENCEMENT DATE)
TO 27 FEBRUARY, 2020 (PROJECT CESSATION DATE)**

(Expressed in Hong Kong Dollars)

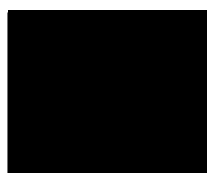
	<u>HK\$</u>
Revenue	
Fund from SFDF	695,970.00
	<u>695,970.00</u>
Other revenue	
Interest income	-
	<u>-</u>
Expenditure	
Audit fee	10,000.00
Insurance	6,652.75
MPF contribution	1,500.00
Staff salary	59,650.00
Sundry expenses	335.40
Trip for investigation group	534,508.91
Venue fee for meeting	18,500.00
	<u>631,147.06</u>
Surplus for the project	<u>64,822.94</u>

**HONG KONG FISHERMEN CONSORTIUM SUSTAINABLE FISHERY DEVELOPMENT
COMPANY LIMITED
SUSTAINABLE FISHERIES DEVELOPMENT FUND
STATEMENT OF FINANCIAL POSITION
AS AT 27 FEBRUARY, 2020 (PROJECT CESSATION DATE)**

(Expressed in Hong Kong Dollars)

	HK\$
Non-Current Assets	
Plant and equipment	-
Current Assets	
Cash at bank	154,808.34
	154,808.34
Current Liabilities	
Accrued expenses	71,150.00
Amount due to a director	18,835.40
	89,985.40
Net Current Assets	64,822.94
Net Assets	64,822.94
Reserves	64,822.94

Approved by the sole director on 27 AUG 2020



Director

**HONG KONG FISHERMEN CONSORTIUM SUSTAINABLE FISHERY DEVELOPMENT
COMPANY LIMITED
SUSTAINABLE FISHERIES DEVELOPMENT FUND
CASH FLOW STATEMENT
FOR THE PERIOD FROM 28 JUNE, 2019 (PROJECT COMMENCEMENT DATE)
TO 27 FEBRUARY, 2020 (PROJECT CESSATION DATE)**

(Expressed in Hong Kong Dollars)

	HK\$
CASH FLOWS FROM OPERATING ACTIVITIES	
Surplus for the project before tax	64,822.94
Operating surplus before working capital changes	64,822.94
Increase in accrued expenses	71,150.00
Increase in amount due to a director	18,835.40
Net cash generated from operating activities	154,808.34
NET INCREASE IN CASH AND CASH EQUIVALENTS	154,808.34
CASH AND CASH EQUIVALENTS AT END OF YEAR	154,808.34
ANALYSIS OF CASH AND CASH EQUIVALENTS	
Cash at bank	154,808.34

(Expressed in Hong Kong Dollars)

1. GENERAL

The project is operated by HONG KONG FISHERMEN CONSORTIUM SUSTAINABLE FISHERY DEVELOPMENT COMPANY LIMITED and sponsored by Sustainable Fisheries Development Fund. The project is set up exchange tours to Oman for local fishermen in order to learn the technique to develop Hong Kong fishery.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of preparation

The financial statements of the Project have been prepared in accordance with Hong Kong Financial Reporting Standard issued by the Hong Kong Institute of Certified Public Accountants, and accounting principles generally accepted in Hong Kong. The measurement base adopted is the historical cost convention.

b. Turnover

- i. Grant income is recognised when the project has met the prescribed milestones and DAFC is satisfied with its progress for the approval of grant; and
- ii. Interest income is recognised on a time proportion basis taking into account the principal outstanding and the interest applicable.

c. Expenses

All expenses in the income and expenditure statement are recorded in accrual basis.

d. Bank balances

Bank balances include demand deposits and other short-term highly liquid investments with original maturities of three months or less.

3. AMOUNT DUE TO A DIRECTOR

The amount borrowed from the director, which is unsecured, interest-free and has no fixed terms of repayment.

**HONG KONG FISHERMEN CONSORTIUM SUSTAINABLE FISHERY DEVELOPMENT
COMPANY LIMITED
SUSTAINABLE FISHERIES DEVELOPMENT FUND
SFDF-0037
NOTES TO THE ACCOUNT
AS AT 27 FEBRUARY, 2020 (PROJECT CESSATION DATE)**

(Expressed in Hong Kong Dollars)

4. RESERVES

Any surplus, with interest accrued up to date of refund, it to be refunded to the Government after completion of the project accordance with the Agreement.
